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Lawrence H. Boling

Winner of the
Stanley O. Styles
Industry
Excellence Award

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Both the Convention and Exposition are now expected to break all attendance records. The show will have companies exhibiting in 300 booths.

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The 1986 Nobel Peace Prize winner will address NPTA's Annual Convention this year in Atlanta. He will speak at The Main Event on Convention Sunday at 10:30 AM in the Apparel Mart.

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by Stephen C. Zaremba

Adding value to the products that distributors sell is of paramount concern. Mr. Zaremba addresses this through a system he has developed. Also, see his presentation at this year's Annual Convention.

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"Return to Tara" with NPTA in Atlanta this Fall

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COVER PHOTO: Richard Chesnut

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Open Forum

The opinions, ideas, and concerns of the readers are important to the National Paper Trade Association—
The Publisher of Management News. To get your thoughts in print, direct your correspondence to the editor.

Merchant Takes Issue With NAPL Panel

I was quite interested to read the article *Printers and Their Paper Merchants* in the February 1987 edition of *MN*. I find that I take exception to a number of statements made by the panel.

Mr. Brand said merchants should study printers and find out what they do before coming in. To do so, the printer must be open and willing to explain his business to the merchant. Many printers are reluctant to do so.

Mr. Moore said that in his location, an hour away from almost any delivery, he still needs to be serviced. An hour travel time in my market (NYC) can be 1/2 mile. Mr. Moore also voiced disapproval of the "24 hour hold." If he gives a firm order to his merchant, the merchant can request the release of the hold for sold business.

Mr. Carpenter is unhappy with mill response to paper problems on press. Is he a "pro" or not? Does he know procedures or not? If a job must be run regardless of stock problems, it has to be completely documented. If all he has to show afterward is a pile of trash, then how does he expect to be compensated?

Mr. Banks says regardless of who supplies the paper, the NPTA or mill should put out a manual defining the steps required to document a complaint. Where has Mr. Banks been hiding? NPTA not only has forms and guidelines, but also a kit to help document problems. All major mills and even many of the smaller mills have pamphlets or at the very least a printed set of instructions to follow. Mr. Moore agrees with Mr. Banks and says it is the first time he has heard of the concept. He must have been hiding with Mr. Banks.

Mr. Carpenter also groans about yield as if he does not know that paper is a commodity bought and sold by the pound. Yes, there are manufacturing tolerances. Yes, they are known throughout the industry.

Thank you, Mr. Brand for recognizing "midnight requisitions" and night shift operations.

To Mr. Banks I say I cannot imagine 400 printers in the Atlanta area who would need 24 hour service. An educated guess on my part would be that less than 5% of the "400" printers are open 24 hours.

For the most part this panel appears not to have done any homework. Most

of the points raised are specious and show a lack of professionalism on the part of the printer that is appalling.

I hope the future will bring enlightenment to these men and they will carefully weigh any future statements concerning Paper Merchants.

Paul Baim, vice president operations
Gould Paper Corporation
Long Island City, NY

MN: On the Required Reading List

Just a few short lines to compliment you and your staff on the rapid and excellent development of *MN*.

As you know, I was there when it was a six-page flyer in the early part of 1983. In retrospect I can honestly say that I never expected to see such a polished and professional job in this short time.

All principals, salespeople and key personnel of this firm have *MN* on their required reading list.

Thanks for a great job.

Paul H. Hirsch, president
Liberty Paper Company
Division of J. Liberman Co., Inc.
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Management Changes at Carpenter Paper Company

Paper Corporation of America has announced that Robert C. Byrne has been appointed chairman and CEO of their subsidiary, Carpenter Paper Company, and Robert M. Baumgardner has become president and COO of the company, which is headquartered in Omaha, NE.

Mr. Byrne had been president of Carpenter Paper since 1970, and Mr. Baumgardner had been executive vice president since 1985, coming to Carpenter Paper after 22 years with Boise Cascade.

NADCO Merges with North American Foodservice Companies

National Alliance Distributing Company (NADCO), whose members are independent distributors of paper and plastic foodservice products and sanitary maintenance supplies, has merged with North American Foodservice Companies, Inc. (NAFC), the largest group of full-

line, independent foodservice distributors in the United States. NADCO members are now part of NAFC's newly formed non-foods division.

The members of NAFC have 120 branches nationwide, with total annual sales of more than \$3 billion. NADCO has seven companies with 21 branches and total annual sales of over \$400 million.

Daniel A. Gescheidle, president and CEO of NAFC, noted that "Each individual company will benefit from the collective expertise of the total membership as well as that of the NAFC staff. All NAFC affiliates are in the non-foods business and, most importantly, all are independent, entrepreneurial businesses and want to remain independent in this time of heavy merger/acquisition activity," he said.

Garrett-Buchanan Forms New Department

The Columbia, MD, division of Garrett-Buchanan Company, Philadelphia, has been expanded with the addition of a newly

created Direct Sales and Publication Department. The new department will be administered by Robert Worthington, former customer service manager, and Michael Gozon, sales representative. It was created with the goal of providing even faster response time and service to a growing segment of Garrett-Buchanan's business.

The company also announced that D. Matthews Saunders has been appointed assistant sales manager for the Columbia division. He will be assisting both in the management and training of the Columbia division's staff, the company's second largest sales force, which covers the Washington, D.C. and Baltimore areas. Garrett-Buchanan is a division of Paper Corporation of America and is an Alco Standard Company.

Century Papers, Inc. Divests Retail Stores

Five company-owned retail stores doing business as Paper, etc. have been sold to three separate purchasers, according to Century Papers, Inc., Houston, TX. The retail stores accounted for only 3% of Century Papers total sales volume, and the company expects to now concentrate entirely on its business of distributing paper and sanitary maintenance chemical products.

First Newsletter Published for New Jersey Merchants

The Garden State Paper Trade Association has a new quarterly newsletter called *The Paperback*. The newsletter is being produced by Elliot Kallen of Marking Development Corp., P.O. Box 921, Hillside, NJ 07205 (telephone 201-688-3400).

John La Colla of Grossman Paper Company, Association president, has announced a college scholarship fund for eligible children of employees of member companies. The first award will be made for the school year starting in September 1988.



Strathmore Paper Company's Strathmore/Merchant Advertising Committee held its annual meeting recently at which past advertising and promotions were reviewed and future programs were discussed. Members of the Committee are: (seated left to right) Pam Williams, Keiler Advertising, Farmington, CT; Donald P. Geddes, Zellerbach Paper Company, San Francisco, CA; Halle Smith, Olmsted-Kirk Paper Company, Houston, TX; (standing left to right) Howard Olson, Sloan Paper Company, Atlanta, GA; Randy Moss, RIS Paper Company, Cincinnati, OH; Murray Grant, Strathmore Paper Company, Westfield, MA; Kelly Crossley, Frank Parsons Paper Company, Landouwer, MD; Roger Kostecky, Alling & Cory, Inc., Buffalo, NY.

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Industry Excellence: It's More Than Just an Award

All industry leaders tip their hats this year to Larry Boling, winner of the Stanley O. Styles Industry Excellence Award. He is president of Consolidated Papers, Inc. headquartered in Wisconsin Rapids, WI.



Larry is a man who exhibits those rare qualities of leadership in our business that makes this award such a personal pleasure for me to announce. You will hear of his accomplishments as he is recognized at our Annual Chairman's Luncheon on Convention Monday, September 21, 1987.

What Larry, and the previous recipients of this important award exemplify, is excellence in business. Excellence does not come easy. It must be worked at constantly. And with excellence comes success and all its glory.

Companies that exhibit the qualities of excellence have their reward. They all may not receive the recognition they deserve from their peers, but they do gain recognition from a very important group—their customers.

Customers reward excellence by reordering our products, paying their bills on time and recommending our services to others.

Recognition of Excellence is important, and the Stanley O. Styles Industry Excellence Award has focused attention for all of us on improving what we do everyday. Thank you Larry for your business excellence as this year's winner.

Francis J. Houlihan
NPTA Chairman

Pentair, Inc. Sells Division

Pentair, Inc., St. Paul, MN, which acquired the McNeil Corporation in August 1986, has sold McNeil's Kiefer division. Kiefer is a packager and marketer of swimming pool chemicals and equipment. Pentair, which produces paper and various industrial products such as electric tools and machinery, and lubrication equipment, felt that Kiefer "did not represent a good fit with Pentair's strategic plans for paper and industrial products manufacturing," according to D. Eugene Nugent, Pentair chairman.

International Paper Enhances Customer Service

In preparation for moving White Papers customer service operations to Memphis, TN, International Paper has implemented an extensive training program for new employees. Visits will be scheduled to mills, converters, merchants and printers to give the new employees a thorough understanding of how IP's paper manufacturing process meets customer needs. It is expected that the training program will enable White Papers' customers to receive even more responsive, accurate and professional service after the move to Memphis is completed.

Sealed Air Corp. Joins Preferred Plastics in New Venture

Sealed Air Corporation, a manufacturer of protective packaging and process protection materials, has signed an agreement with Preferred Plastics, a manufacturer of expanded polystyrene (EPS) to jointly mold, market and distribute resilient molded foam and EPS. The materials will be made by a jointly-owned company called Horizon Foam Products, Raleigh, NC. Molded EPS is widely used in the electronics and consumer products market. Preferred Plastics is a subsidiary of Horn Packaging, Ayer, MA, and has been supplying molded EPS for more than 25 years.

Dillard Paper Announces New Chairman, President

Dillard Paper Company has announced the elections of Geoffrey A. Clark as chairman and CEO, and G. Henry Jobe, Jr. as president of the corporation.

Mr. Clark joined Dillard in 1974 and has held posts in various locations. Most recently, he served as vice president and general manager in Macon, GA, followed by the same post in Norfolk, VA. Geoffrey Clark is a graduate of Guilford College with an AB degree in Economics.

Mr. Jobe joined Dillard in 1964 and held the positions of vice president and director of purchases, and director of Dillard Paper Company at the time of his election as president. Henry Jobe holds a BA degree in Economics from Guilford College and an MBA.

Fonda to Operate National Cup Division

The Fonda Group, Inc. of Union, NJ, has reached an agreement with National Cup Company of Dover, DE, to administer National's Butterful Division. The Butterful Division manufactures a full line of paper cups and tubs for popcorn, and Fonda plans to increase employment and output at the Division.

Albert C. Lasher, Fonda's chairman and CEO said, "This agreement represents another step in our long range program to strengthen Fonda's position in our major paper cup markets."

Harrisburg Paper Co. Buys Independent Paper

Harrisburg Paper Company, Harrisburg, PA, has purchased Independent Paper Company of Bensalem, PA. Independent Paper, which services the Philadelphia, New Jersey and southeastern Pennsylvania markets, will operate under the name HPC Distributors-Bensalem. All employees and managers of Independent are expected to remain with the company, which will operate as a separate division. Harrisburg Paper also opened a frozen and refrigerated food division in Bellmawr, NJ, recently.

People in the News

Russ McShane of the C.G. Winans Company, Bernardsville, NJ, died on April 18th. He is survived by his wife and three sons.

Mark Gianneschi has been named branch manager for Inlander-Steindler Paper Company (ISP), Elk Grove Village, IL. He joined ISP in 1981 after working in inventory management and operations management with Standard Brands, Inc. and Beatrice, Inc. Lois Hursey was promoted to sales coordinator at ISP's South Bend branch, where she has worked for nine years. Her previous positions at ISP included customer service representative and office manager. Fern Zatz has been promoted to corporate marketing coordinator for ISP's corporate headquarters in Elk Grove Village. She has been a marketing assistant for over two years at ISP and had previously worked at Loge/Robertson, Inc., a graphic arts manufacturing company.

Buddy Stalnaker, Virginia Paper Company's Richmond branch manager since January, 1985, has assumed the new position of automation coordinator. He will be responsible for helping the branches in the smooth implementation of the company's new computer system. Mike Allen, vice president, marketing and sales, has returned to the Richmond office as acting branch manager until the automation project is completed. Bob Neill, Greensboro branch manager since 1981, has been named manager, sales development, at the Greensboro office. Mike Goodson, Charlotte branch manager, has been named acting branch manager for Greensboro in addition to his responsibilities at Charlotte, until a new branch manager is named for Greensboro.

William D. Gainey has been named west coast regional sales manager for food service sales for The Fonda Group, Inc., Union, NJ. He joined Fonda in January after several years at Lily-Tulip Company, where he was west coast regional sales manager for the last five years. Daniel N. Kordecki has become Fonda's Chicago District sales manager of Service Division sales. Kordecki joined Fonda in January after almost four years of sales and

territory management experience at Fort Howard Paper.

Rick Hill has been appointed southern manager of coated products for Packaging Products, Inc., Bellwood, IL. Hill is experienced in the use of protective masking films for the furniture and related industries, and will be headquartered in High Point, NC.

Herbert C. Altholz, chairman and CEO of Inlander-Steindler Paper Company (ISP), has been inducted into ISP's Hall of Excellence. The Hall of Excellence was established in 1986 to recognize outstanding ISP employees, from any department, who have contributed to ISP's success for 10 or more years. Mr. Altholz has been with ISP for 41 years, and has held positions in warehousing, inventory, costing, purchasing, inside and outside sales and corporate management. During his term as president he directed the acquisition of many companies and

the development of multiple branches throughout the Midwest.

Dennis J. LaMontagna, vice president and manager of Leslie Paper's Chicago region, has been elected a company director. John F. Hoffman has been elected vice president and manager of Leslie Packaging Systems, Ruth I. Shaltis has become assistant secretary of the company, and Carl V. Hansen has been appointed operations manager of Leslie-Chicago.

Bruce D. White has been named manager of Butler Paper's Green Bay, WI, branch, a part of Butler's Milwaukee division. Mr. White has been with Butler, a part of Great Northern Nekoosa Corporation, since 1976.

Kenn Forte has been appointed corporate industrial marketing manager by Copco Papers, Inc. Mr. Forte was previously, a district manager for Scott Paper Company before joining Copco Papers, a part of Paper Corporation of America.

JULY

31. *Managing Customer & Product Line Profitability, del Coronado Resort, San Diego, CA. Contact NPTA.*

SEPTEMBER

14-17. *The Sixth Converting Machinery/Materials Conference & Exposition. For more information contact: National Expositions Company, 212-391-9111.*

19-22. *NPTA's Annual Convention and Exposition "Paper People Paths to Success, Atlanta, GA. Contact NPTA.*

28. *New England Paper Merchant's Association's Golf Outing. Contact Albin R. Johnson, Jr., 617-748-2272*

OCTOBER

8-9. *TAPPI sponsors seminar on "Managing Change and Performance in the Paper Industry," Grand Rapids, MI. For more information contact TAPPI Headquarters, 404-446-1400.*

18-23. *Printech Week, Rochester Institute of Technology, Rochester, NY. Contact NPTA.*

NOVEMBER

4-6. *Trends in Paper Distribution Computerization Conference, Dallas, TX. Contact NPTA.*

8-13. *Paper Distribution Management Development Program, Miami University, Oxford, OH. Contact NPTA.*

Janet Lane and Don DeMutis are new customer service representatives for American Fiber-Velope Mfg. Co., Collingdale, PA. Caroline McAndrew has been promoted to cost analyst and Jane Terpstra has moved from direct to dealer customer service at AFV.

Jack H. Keeney has been named assistant controller of Paper Corporation of America (PCA). Mr. Keeney joined PCA in January 1985. John J. McKiernan has been appointed vice president-finance and administration of PCA. Since 1982 he has served as vice president-controller. Both Mr. Keeney and Mr. McKiernan came to PCA from Alco Standard, PCA's parent company.

Allan J. Nadeau has been named vice president of Georgia-Pacific's Southern Pulp and Paper Division. Robert J. Millikan is now general manager of G-P's Northern Pulp and Paper Division, and Jerry L. Kincaid has been appointed general manager of G-P's Port Hudson, LA, pulp and paper mill.

Guillermo Cruz has been appointed general manager of Sealed Air (Puerto

Rico) Incorporated, a newly formed subsidiary of Sealed Air Corporation. Mr. Cruz, a graduate industrial engineer with 20 years experience in manufacturing management, previously served as president and general manager of Pharmaseal, Puerto Rico, a division of American Hospital Supplies, Inc., and as director of manufacturing and operations for Qume Caribe, Inc.

Union Camp Expects Continuing Growth

Speaking to a meeting of its stockholders in April, Gene Cartledge, president and CEO of Union Camp Corporation, predicted that the company would continue to enjoy strong growth and pointed out that Union Camp had recorded its sixth consecutive quarter of increased earnings.

Shortly before the stockholders meeting, the company had announced that 1987 1st quarter net income had increased 100% over the same quarter in

1986 (\$44,197,000 vs \$22,039,000), while sales for the period increased 8.5% over the same period last year. Even though kraft paper and paperboard production rates are high, "industry inventories were significantly reduced" according to Mr. Cartledge, leading him to "believe markets will continue to experience tight supply," a situation that will continue since there is "virtually no major industry linerboard expansion on the horizon." Union Camp's fine papers business and its building products and chemical operations were also doing well.

According to Mr. Cartledge, Union Camp is "constantly evaluating all the options" open to the company for additional growth, including the possibility of growth through acquisition.

Corrugated Box Users: Help is on the Way

Specialty Equipment Corporation of Worcester, MA does *not* make corrugated cartons. What they *do* make is a machine that produces a one-piece box that is shipped flat and then opens up for use with a rigid bottom that locks into place without the need for staples, tape or glue. The new box, trade-named the Automatic Loc Bottom Box, can be collapsed and reused by shippers. The company, which sells the new machine for \$500,000 and \$600,000, reports that 17 have already been purchased by carton manufacturers.

James River Merchant Sales Expands Management Group

Responding to a rapid growth of sales volume in their Merchant Paper Sales Division, John E. Griffith, group vice president, has announced a reorganization of the division's management. With the goal of achieving "an immediate focus on the sales and marketing efforts in each of our two major product areas—Premium and Commercial printing papers," Mr. Griffith said, "the new alignment includes the creation of several new executive positions

Paper Distribution Industry Best Sellers

Rank	Publication	Last Mo.
1	Paper & Ink Relationships. <i>Williams</i> . \$30.	1
2	Paper Merchant's Guide to Profitable Management. <i>NPTA</i> . \$49.	3
3	Win-Win Telemarketing Program. <i>Zibrun</i> . \$135.	5
4	Strategic Planning: A Fitness Program for Wholesalers. <i>Arthur Andersen</i> . \$35.	4
5	Branching and Market Coverage. <i>Healy</i> . \$35.	2
6	Wholesaler Inventory Control. <i>VanDeMark</i> . \$25.	—
7	What Really Helps (or Hurts) Your Company's Bottom Line. <i>NAW</i> . \$50.	8
8	Higher Profits from Day One. <i>Arthur Andersen</i> . \$250.	7
9	Handbook of Distribution/Customer Service. <i>Blanding</i> . \$40.	10
10	System Selling: A Marketing Guide for Wholesaler Distributors. <i>Hannafor</i> . \$25.	—
All publications are available from NPTA		

and promotions of key personnel."

Named to new executive posts were Samuel S.M. DuBois, vice president, sales, Premium Papers and Eugene E. Coder, vice president, sales, Commercial Papers. Additional responsibilities have been given to Ronald W. Joscelyn, appointed vice president, national accounts manager and Frank L. Wright, appointed vice president, operations.

Three new regional manager positions have been created to support sales of Commercial product lines. James B. Wayman is the New England regional manager, Kenneth Pointer is the New York regional manager and James Sobkowiak is the Mid-Atlantic regional manager, all for Commercial Papers.

NPTA Introduces Dues Rebate Program for 1987

A unique program has been launched by NPTA to provide members with a line of credit, based on the dues they pay, which can be applied toward the purchase of

NPTA products and services. Titled "Dues '87," this new program will actually rebate money to each dues-paying company in the form of increased purchasing power. This is how the program will work:

When a member pays their dues this year (for the period March 1, 1987-February 29, 1988), they will be assigned a line of credit based on the fiscal year '87-'88 increase. All members have been notified as to the amount of their credit and will receive forms to facilitate the ordering of NPTA products and services at discounted rates. The amount of the discount will be charged against their credit balance.

Credit amounts may be applied at the rate of 50% of the purchase price of a publication or seminar registration fee, and to 25% of the cost of Learning International's *Professional Selling Skills* program.

"These rebates can certainly save members money on the services they buy," said John J. Buckley, Jr., NPTA president. "We have made available \$50,000 in credits to the members this year and it is hoped

that everyone will take advantage of it."

Credits must be used by February 1, 1988 and cannot be used for Convention activities. If anyone has questions regarding the "Dues '87" program, please call Richard Lerman, director of membership services at NPTA headquarters, at 516-829-3070.

Beckett Paper Holds Sales Conference

Twenty-nine merchant representatives attended Beckett Paper Company's eighth annual Merchant Sales Conference, March 18-20 at Miami University's Marcum Center, Oxford, OH.

From the U.S. and Canada, the merchant representatives took part in a series of workshops and presentations which provided them with a working knowledge of Beckett's grades of fine paper. Efficient time management, professional selling techniques and other industry topics were also discussed.

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Printing Paper

NPTA's Printing Paper Division Plans Educational Modules

There is an ever-present need in printing paper sales for product knowledge training, reports NPTA's Printing Paper Division Committee. The group, headed by Frederick J. Stabbert, director of business development for the Hammermill Distribution Group, met in Pittsburgh in June to discuss the creation of such educational tools.

"There are four areas of training for printing paper sales people that must be addressed," said Stabbert. "The first is salesmanship. NPTA has a very effective Professional Selling Skills (PSSIII) program in that area. Second is the individual company's policies and practices which, of course, NPTA cannot address. Third, there is the area of graphic arts technology or what I would call 'learning the customer's business.' We have our very effective Printech Week program running twice each year at Rochester Institute of Technology. The last area is product knowledge, that, until now, has not been dealt with in a systematic way," Stabbert said.

The Printing Paper Division's Committee will create a series of modules on product knowledge that will fill this void. Working with the Paper Sciences and Engineering Department at Miami University in Oxford, OH, the group will develop the first two modules.

The first will be "How Paper is Made," and will focus on the manufacturing of paper at a level that is appropriate for people who sell paper. The second module, "Paper Characteristics and Properties," will discuss, again from the sales point of view, what makes each grade and finish unique and how each property provides a sales attraction.

These first two modules will be packaged for self-instructional use but may also be used in group instruction. Each module, consisting of a video tape, text-

book, user's guide, samples and tests, will be marketed under the name "Papertech Instructional Resources."

The first module will be made available in 1988 and future modules are being planned in the areas of paper math and specialty grades, among others.

Perchloroethylene to be Listed as a "Probable" Carcinogen

Often used in printing shops as a solvent, perchloroethylene is being added to the list of probable carcinogens, making it subject to more stringent regulation by the EPA. Ambient air emissions will be curtailed, and it is unlikely that even small quantity generators of hazardous waste products will be granted any exemptions for any use above the zero threshold under the Safe Drinking Water Act. For more information contact the Government Affairs Department of Printing Industries of America, Inc. at 703-841-8158.

Commercial Printing is Fast Growing Industry

According to the Department of Commerce's 1987 *U.S. Industrial Outlook*, over the last 15 years commercial printing was the fifth fastest growing industry in terms of absolute shipment changes in billions of 1982 dollars. Commercial printing grew by \$15.3 billion in the 15 year period. Lithographic services also showed rapid growth, increasing by 327% since 1972. Not only has the printing industry undergone steady growth, it has been stable in its ranking relative to other industries.

Industrial Paper

Legislation: Is it in Your Area?

Last month's Industrial Paper page dis-

cussed the current crisis in food service disposables. Most of that story dealt with the feelings being expressed about projected legislation. But there is already in the works, or already in place, legislation regarding this situation.

The following is a brief roundup of proposed legislation that has been introduced in several states.

In California a study of plastic pollution has been proposed. The Department of Conservation would conduct the study and would have to come up with recommended solutions by 12/31/88. Another proposal would require resource recovery plants to remove plastics from the waste stream before incineration.

A Connecticut Representative has introduced legislation asking the state's Congressional delegation to expedite a solution to the CFC issue. The original version would have phased out the use of CFCs within three years, except when necessary for public health or safety reasons. Another proposal would institute a sliding scale tax on non-recyclable goods to pay for their disposal.

A bill that would establish a fund derived from a tax on the retail sale of food in disposable containers has been introduced in Hawaii.

Several pieces of legislation have been proposed in Oregon. One bill would prohibit the sale of products in plastic containers unless the containers are of a certain grade and are so labeled. Another proposal would require that distributors of styrofoam (a Dow Chemical trademark) or plastic to be licensed, and to have styrofoam and other plastic carry a label warning of potential harm to wildlife. Another bill would place a tax on disposable food containers made of plastic, paper or aluminum. The money would help finance litter cleanup. Legislation to prohibit the manufacture, sale, storage or use of any chlorofluorocarbon compound by July 1, 1988 has been introduced. This proposal would be an amendment to current law which bans aerosol sprays.

A bill which would have banned non-biodegradable fast food packaging in Vermont has been revised. The new proposal would establish a committee to be appointed by the governor to research PVC and fast food packaging issues.

Service You Can Bank On.



country, providing you regional access to our entire product line. So you can order hassle-free, amalgamating small quantities for quick turnaround, higher turnover and fatter profits.

What's more, we've made it policy not to oversell our mills, because we know how backlog delays can force buyers to hedge and over order. Instead, we work together with you and commit to a business plan designed to meet your needs.



Lawrence H. Boling: Winner of the 1987 Industry Excellence Award

Following in the tradition of other well-known industry leaders, Larry Boling has won the Stanley O. Styles Industry Excellence Award for 1987. The presentation of the award will take place at the Chairman's Luncheon during the NPTA Convention and Exposition in Atlanta, Monday, September 21, 1987, 12:00 Noon—2:30 PM.



Lawrence H. Boling

The 1987 winner of the Stanley O. Styles Industry Excellence Award, Lawrence H. Boling, met with NPTA president John J. Buckley, Jr. at the offices of Consolidated Papers, Inc. in Wisconsin Rapids, WI. Mr. Boling is president of the company that has become known for its aggressive marketing and efficient production. Their discussion provides an interesting view of the award winner and his relationship to the industry.

MN: How did you get involved in the paper industry? Tell us a little about your career.

Boling: My father was in the book publishing business in Cincinnati, and he introduced me to Jim Fergus who represented the S.D. Warren Company in the Midwest. I had been in the Army for four years and had returned to the University of Cincinnati in late 1946 to finish up the last six months for a Bachelor of Industrial Management Degree. Jim got me all pumped up over the Warren apprentice program where you started in the wood yard, worked in all departments of the mill, went to Carnegie Tech for six months to learn printing press work, and so on.

I hopped on a train to Boston and ended up in Westbrook, ME, in February, 1947—a great learning experience. I was in their field sales force for seven years in New York, then managed the Cincinnati district for six years, then was called to Boston headquarters. I went up through the ranks in publication sales, spe-

cialties, commercial printing, and finally ended up as vice president - sales for the corporation. Along the way they sent me to the Advanced Management Program at Harvard Business School. Then I became executive vice president and finally president. In 1972, Consolidated convinced me that they had a unique situation for which my background was a natural. I went in as vice president - marketing, then executive vice president, and then president. I think it's fair to say that it has been a good marriage.

MN: Tell us about your family.

Boling: I married a lovely girl in 1947. Fortunately, Marge was willing to marry me and the paper business. That's important. She understood that success in my career would make success in other things possible, so we both worked at it from the time I was an apprentice in Maine, and she's still working at it. I wish now that we had kept a list of the customers and paper and printing associates that she has made welcome in our various homes. She's a good salesperson. She has convinced a lot of people that pulp mills don't really smell. We have one daughter, Ann, in New York. She is married and has a two-year-old son. She used to do sales promotion work for Lindenmeyr, then she was with Laurel Press. Our son, Chris, ranches in New Mexico. He is married, has a daughter, Sara, age four, and a son, Nicholas, age two. Unfortunately, the distance precludes our seeing as much of them as we would like.

MN: You have been president of Consolidated Papers for eight years. During that time it has become one of the model companies, one of the Cadillacs of our industry. How has that happened? What has been your role?

Boling: It has happened, I believe, for several reasons. First, we don't try to be all things to all people. We resisted the fads to run out and get in all kinds of businesses. We try to anticipate what will be most helpful to color printing and then provide it in a systematic, dependable manner. That takes money, technology and employees who like what they are doing. It also takes a clientele of direct publisher customers and direct packaging paper customers who believe in Consolidated's ability to help them reach their objectives. For the commercial printing side of our business, it was necessary to assemble a network of printing paper distributors who had enough faith in our manufacturing and servicing abilities that they would devote their sales and warehousing abilities in

the localities where we wanted to be represented. What was my role? I feel that I had a significant part in bringing it all together and achieving the balance in the corporation that we sought. "We" is a better word than "I."

MN: What has been your approach, the driving force, your management style in your career?

Boling: That's easy, John. One, always help your customer or your employee to help himself. Find out what he needs to improve his situation (and I don't mean some quick price cut or unearned raise in salary). Two, never overpromise. When you've really got the quality or the service or the wherewithall, then promise. Train your organization. You train them, you train them, you train them. Training builds confidence. Confidence gets results. Encourage the young people by training them so well that they confidentially clamor to be allowed to make decisions. Keep them moving and don't be afraid to move people sideways. Not only does this broaden them, but they find out that other people in the organization know more than they might have expected.

Plan for the future of the organization. You know you can't wait until some manager gets run over by a truck or looks out the window when he's 64 years and 11 months old and decides that his bones feel better at 85 degrees than 10 below zero. Then, he has all of the leverage. He's vested. He can walk away without a backward look if he's callused enough. We tell our top managers that one of their most important individual objectives is to train their successors and have them ready so that when the manager reaches normal retirement age, his area of responsibility won't be exposed. It won't miss a beat.

We encourage our managers to think about perpetuating the corporation by keeping the succession of management well-planned and orderly. This keeps the young turks interested and the Indians contented. Nobody wants to work for a company that might fall into disrepair or lose its vitality. With no disrespect, I maintain that this nation or any other entity can't survive and progress led by a team of "Claude Peppers." They might be able to collect the rent, but I doubt if they could pay it.

MN: Is there a particular role model you have used in guiding your life?

Boling: My role model in the paper business was Walter Wilcox, former president of the old S.D. Warren Company. I guess he's my industry hero. When I got out of the Army and col-

lege, he saw to it that I learned the business from scaling wood to printing paper. He wanted results, but it never even crossed my mind that he would ever gain an objective by sacrificing the principle. That guy was a real straight arrow.

Funny about Walter, he never really told us what to do or exactly how to do it, but after I was around him for some time, I always felt that I knew exactly what I should do. He should have taught psychology. He had me driving myself to measure up to some goal that he had managed to plant in my own mind, and when you've got people driving themselves, you're managing.

MN: Is there anything in particular you would like to be remembered as?

Boling: Sure. I'd like to be remembered as the guy who was president of S.D. Warren and Consolidated. Actually, I'd like to be remembered as the guy who shot his age on the golf course and stayed married to Marge Boling. In the final analysis, I guess I'll stand on Consolidated's record in the past 15 years. We've balanced the company, we're not just another groundwood coated company. Not only do we make consistent high-quality lightweight groundwood coateds, but we're recognized as making the most complete line of top quality free sheet coateds. Our line is sought after by top merchant organizations. We got rid of the brokers as we committed our lines to those who think enough of our products to inventory them.

We have a mill at Stevens Point that's recognized as making superior lightweight coated packaging papers. We operate one of the most profitable corrugating plants in the country. We're integrated in timberland and pulp just about the degree that we feel is most advantageous to us. Our facilities are in what has been described as superb condition.

You read *Fortune* 500 or *Forbes* 500 or *Business Week* Top 1,000 lists and you'll see just how consistently profitable we are. That may not sound very modest, but you asked me and I'm very proud of it.

And, finally, we own it. We paid for what we have out of earnings. Sounds kind of corny, doesn't it? But our shareholders think it's just plain old-fashioned wonderful.

MN: How have you seen the paper manufacturing industry change during your career?

Boling: As I mentioned this morning, John, after World War II, we were still packing sheets in 600 lb. wooden cases and printing from raised

Train your organization. You train them, you train them, you train them. Training builds confidence. Confidence gets results.

The U.S. industry responded to the pleas of our customers in 1984 for more capacity, and, as you know, Consolidated just put over \$200 million into a new paper machine at Biron. We paid for it out of earnings.

type. *Life* magazine was printed on 58 lb. basis weight paper which was manufactured at 900 fpm. It was printed by the letterpress process at 5,000 impressions per hour with an ink coverage of 30%. The printer was averaging 12 web breaks per 100 rolls, and they thought that was great.

Now, in 1987, we're in another world. Now we make 34 lb. basis paper for national magazines that are 70% lathered with tacky inks on printing presses that slam our paper through at 38,000 to 50,000 impressions per hour. That's 10 times as fast. The other big change was the virtual demise of the letterpress process which gave way first to sheet fed offset printing and then web offset printing. Full surface contact of the printing blanket to the paper surface is an additional challenge to the strength of our paper surfaces.

Anyway, to meet those new press speeds and quality requirements, we now make that lighter basis weight paper not at 900 fpm, but at 3,700 fpm. We wind it up to ship in 50 inch diameter rolls. So, instead of 4.2 miles of paper on a roll, as we formerly provided, we now put 18.3 miles of paper per roll or 1,830 miles of paper on 100 rolls, and you know, if the customer gets over two web breaks in those 1,830 miles, he wants an explanation or maybe a settlement for alienation of affection. Seriously, John, there is never a dull moment.

MN: What are the critical issues facing paper manufacturing today?

Boling: Price, John, price. We're pumping quality into coated paper that has never been equaled. I just told you about the printing press demands that we are having to meet. That all costs money and effort. We're not getting paid a fair price for it. The U.S. industry responded to the pleas of our customers in 1984 for more capacity, and, as you know, Consolidated just put over \$200 million into a new paper machine at Biron. We paid for it out of earnings.

Other mills also answered the plea and so did a lot of foreign mills, too many of them. All of a sudden, our customers are picking the low-hanging fruit. But things have a way of balancing out, although I sometimes despair while watching some members of the class flunk Economics 101 and Ancient History 201 for the umpteenth time.

MN: Do you see any technological changes or breakthrough that will change the face of this industry?

Boling: Well, not really. Papermaking changes tend to come in gradually. Oh, there will be

improvements in the race from the headbox to the reel to speed up the separation of water from fiber. Better drainage, top wires, harder pressing, more intense drying, you name it. Better coaters, better instrumentation, more exotic finishing, but it is usually incremental. I do think that we will learn to better utilize the more plentiful fiber sources. I think you'll see changes in the way we pulp the fibers. I think you'll see that more and more we will segregate different species of trees and pulp them separately instead of pulping them all together. This would enable us to obtain the very best values from the individual tree species.

MN: How have the customers, served by Consolidated Papers and paper merchants, changed during the past 10 years?

Boling: I don't think they've changed all that much. They are probably more intense and harassed. The printers are bigger with larger equipment that they feel they must keep turning over. Their pricing is so competitive that they are searching out every technological advantage to cut down preparation time and increase up time. Some of our large publishing customers are harassed in the same way that many corporations have come to be harassed under the administration's benign policy of giving Wall Street its head. The philosophy seems to say that any way you can make a quick buck is okay. Putting companies into play has become a treacherous game that makes any target company concentrate on current quarter results—at the expense of better long-term decisions. I hate to see our customers stirred up like this.

MN: Do you see any technological changes occurring in the graphic arts that will impact customers significantly?

Boling: I believe the specialty magazines and the freestanding inserts will continue to thrive. So, the printing presses must continue to speed up but the old all-purpose binderies will be replaced by binderies built to accommodate specific pieces of business. Lasers and computers are revolutionizing the pre-press world. They've only begun.

MN: How have you seen the paper merchant business change during the years?

Boling: Well, the big seem to get bigger. To do a proper job as a stocking merchant today implies a very large investment in inventory and accounts receivable. Not too many years

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- Multiple Costing in Product File
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Merchants are our chosen route to the market. We got rid of the brokers we had years ago. We have a sales force that does nothing but encourage, nurture, assist—you name it—our franchised merchant system.

ago, a couple of guys could rent some space, perhaps multistory with a small elevator, put in some cases or cartons and a few skids and open up a merchant house. They could sell making orders in special sizes down to 2,400 pounds, and the customers would wait. A carload was a big order. Today, nobody waits—not even for the elevator.

And do you remember the merchant warehouses full of broken cartons of all the colored texts and covers, the coated embossed grades, and so on? The trade used to think that a merchant should have something of everything. Now, the modern merchant stocks heavily in the items that move, and they send their sales force out to really promote those lines. Oh, there are still some peddlers around. You know, the guy who comes in with nine different offsets and spreads them out on a printers desk—asking the printer to choose. Such a guy is part of the problem—not the solution.

MN: What do you perceive as the critical issues facing printing paper distribution today?

Boling: Getting and holding the best lines of paper. And I don't mean just the best physical grades of paper. A merchant needs more than that. He needs to be assured that the mill can make the line consistently day after day. He needs to know that the mill has a plan to keep the line current to printing-binding processes. He needs to know that the mill will reciprocate his efforts and won't run around giving the line to every other merchant that happens to have an order. And most of all, he should stay away from mills that turn to brokers when orders are slow.

MN: Where do you see paper distribution heading in the next five years? Will merchants generally maintain, increase or decrease in influence and importance?

Boling: Speaking for Consolidated, in the commercial printing field, I don't think that merchants can become any more important than they are right now. Merchants are our chosen route to that market. We got rid of the brokers that we had, years ago. We have a sales force that does nothing but encourage, nurture, assist—you name it—our franchised merchant system. Our objective is to make our merchants prosperous, for if they are, Consolidated's bottom line will mirror it.

MN: Where is the pendulum in mill-merchant relations? In merchant favor or mill favor?

Boling: I can't answer that. Even if the pen-

dulum is at a point right of center, is it on its way up or is it on its way back down? I will say that I believe that some manufacturers are too heavily involved with brokers—or certain merchants who are allowed to act as brokers. These brokers contribute very little to the value of the product, if anything. Yet, the extremely low prices that they are granted have a strong destabilizing effect on the pricing structure in the printing paper industry. As they have no warehouse inventory investment to protect, they will quote as low as any desperate manufacturer will allow. I've never understood how some manufacturers will solicit marketing and stocking loyalty from the merchant system, and then put the merchant investment at risk by allowing brokers preferred pricing.

MN: You have been involved with many trade associations, API, Boston Paper Trade, Paper Distribution Council, over the years. What role have they played in the development of the industry?

Boling: A tremendous role. Having centralized sources of information—technical, educational, statistical and even misinformation is helpful, because the source is identified so there is an opportunity to make a correction if it is needed.

Without the associations, everyone would necessarily spend more time trying to understand the environment of the paper industry and the printing industry. And it would cost us one heck of a lot more money, too!

MN: What will their role be in the future?

Boling: More important. As the nation and its laws become more complex and more socially conscious, the individual companies won't be able to afford to respond to each problem or statute individually. For example, people are easily stampeded by newspaper accounts that may or may not be responsible or accurate. Suddenly we might be asked to identify dioxin in parts per trillion. That's like one second in 32,000 years. That is so small that very few laboratories can even identify it, nor can the newspapers. We don't even know whether it will harm us in a normal lifetime. Those are projects that must be handled by associations. The same goes for laws concerning taxes, imports, exports, industry statistics, you name it.

I'd hate to lose the advantages that come from good trade association work.

MN: Thank you.

The Sales Professional

1

A special section dedicated to those who sell or manage the sales function

Do Conflicting Opinions Get You Down?

There is probably not one aspect of life that doesn't inspire opposite opinions in people (all of whom are usually only too anxious to express them forcefully). When it comes to the business of selling, the salesperson is faced with a wide variety of ideas of how best to go about it, with many of the ideas being exact opposites of each other.

How does one decide which ideas are all right and which are all wrong? The first thing we should realize is that very few things (if any) are ever "all" anything. The second thing is to recognize that people hold opinions because, somewhere, sometime, the idea they espouse has worked for them, and they think it might work for you, too. The third thing that we have to do is to compare our advisor's situation with

our own to see how much similarity there is between them. (Selling snowmobiles in Maine is probably a lot easier than trying to sell them in Florida.)

If we have been successful in what we are doing, then our opinions about what is right certainly have more weight than those of someone who is a failure doing the same thing. However, even if we are successful, we are still faced with the question of whether we can be even *more* successful—and the honest answer to that must always be "Yes."

Therefore, no matter what degree of success we are having, we should always be open to new ideas and, if we have any reason to think that they might work for us, to be willing to give them a try. We must rely on our past

experience to help us to evaluate new ideas, but keep in mind that all of today's tried and true ways of doing things started out as "new ideas" sometime in the past. Don't let the world pass you by because you cling too strongly to the attitude, "If it was good enough for my grandfather, it's good enough for me."■

They Have You Typed!

According to an item in *Sales & Marketing Management*, the Japanese have started to recruit employees based on their blood types because of a new theory which claims that basic personality traits can be linked to the four major blood types. People with Type O are said to be born leaders, Type A people are deep thinkers, Type B's are creative and Type AB's are problem solvers.■

Sales Briefs

SCOTT PAPER COMPANY has produced a new brochure directed at building owners and operators. Detailed information is provided on Scott's new economical line of rest-room products which help save on product costs and maintenance labor expenses. To get a copy of the brochure, write to: Personal Care & Cleaning Reference Brochure, Scott Paper Company, Dept. JS-16, P.O. Box 830, Devon, PA 19333 or telephone 1-800-4-SCOTT-1.

APACHE PAPER COMPANY has selected Dart Container Corporation as the winner of their Supplier of the Year Award. To mark the occasion, a plaque was presented to Joseph Krepein, regional sales manager, and James Kline, territory manager for Dart.

GILBERT PAPER is using a dual format promotion to introduce GILBERT® oxford Text, a complement to oxford Bond. A brochure for "Pink Beach," an imaginary British island resort, contains 26 pages of graphic art tech-

niques—duplexing, foils, opaque inks, four-color process, die cutting, etc.—showing off the new grade. The second part of the promotion is a swatch book kit. For more information write to Gilbert Paper, Advertising Department, 430 Ahnaip Street, Menasha, WI 54952.

WALLACE PRESS, a Division of Wallace Computer Services, Hillside, IL, is offering a two-page color brochure describing their method for producing custom catalogs for sanitary and paper supply distributors. The brochure discusses distributor marketing concerns and the role of a customized catalog. To receive a copy, contact Mr. Tom Franke, General Sales Manager, 4600 West Roosevelt Road, Hillside, IL 60162, telephone 312-449-8611.

LINWEAVE FINE PAPERS, INC. has awarded Barber-Ellis of Canada an exclusive distribution agreement for all of Eastern Canada. Barber-Ellis has sales and divisional offices in every major Canadian market. Linweave also announced that IPAK/Pacific Paper Sales (PPS) will become a West Coast representative of the mill. IPAK/PPS had

previously represented off-shore paper mills, but have now become more involved with domestic producers.

SEALED AIR CORPORATION has published a new four-page brochure describing the company's full line of products. Sealed Air specializes in protective materials for packaging and shipping such as foam cushioning and bubble plastic wrap as well as films to protect surfaces during manufacturing processes. The company also has products for static control and corrosion prevention. To receive the four color brochure, write to Sealed Air Corporation, Marketing Department, 19-01 State Highway 208, Fair Lawn, NJ 07410 or telephone 201-797-4000.

GEORGIA-PACIFIC CORP. has produced two new catalogs describing their commercial tissue products. One catalog—Cormatic® Systems Product Selection Guide—deals with G-P's Cormatic dispenser systems for washroom towels and tissue, soaps and air fresheners. The second catalog, called Commercial Products & Systems Product Selection Guide, describes the compa-

ny's full line of single service and dispenser napkin systems; bathroom and facial tissue, commercial folded, rolled and household towels; toilet seat covers and disposable wipers. Free copies of either or both catalogs can be obtained by writing to Georgia-Pacific Corp., Catalog Dept., P.O. Box 514, Berlin, CT 06038, Attention: Karen Lulis

DISPOSABLE PRODUCTS COMPANY INC. has introduced a new product called Nu Cloth, a rag substitute that can be washed, is highly absorbent and lint free. It comes folded and packed into a dispenser box which can sit on a work bench, or mounted on the wall or inside service trucks by means of a simple bracket. DPC is located at Front and Ford Streets, Bridgeport, PA

What Can a Salesperson Learn From an Adperson?

Salespeople, whose job it is to be in contact with their customers, either in person or by telephone, sometimes fail to realize that people in advertising are also salespeople. Salespeople reach out to one customer or potential customer at a time. Advertising people reach thousands or even millions of people, depending on the media used to carry their message, with the primary purpose being to create interest in the product or service so that the potential customer will then get in touch with a salesperson.

In other words, instead of you as a salesperson, going out to find the customer, advertising creates a situation whereby the customer comes looking for you. Whether you are doing the looking or are being looked for, can a salesperson learn anything from the advertising person when the time comes to talk to the customer?

Remember, the advertising person is also *selling*—but, of necessity, he must get his point across in a brief yet effective manner. Do you manage to do the same? Or do you deluge your customers with so much verbiage that the result is not clarity but confusion?

Of course you can go on and on about the features of the product you

19405, telephone 800-345-6396.

SEALED AIR CORPORATION is making available a new brochure containing a Nylon Strength Test Demonstrator. Sealed Air manufacturers bubble cushioning materials with a Nylon barrier layer. Sealed Air claims that this layer increases bubble strength and provides longer air retention, thus improving cushioning performance. The brochure provides samples of bubble materials with and without the extra Nylon layer so that end users can compare for themselves the strength of each type. For more information, write to Sealed Air Corporation, Marketing Department, 19-01 State Highway 208, Fair Lawn, NJ 07410, or call 201-797-4000.■

sell, but is it really necessary to do so? If your product is basically similar to everyone else's product, why waste time restating the obvious? Instead, look for those features and benefits that are unique to your product, and emphasize them.

Try to imagine that you have been given the job that the person in advertising has to do—sell the product powerfully, creatively and quickly. (In real life, in a person-to-person meeting, you can supplement what you say with copies of printed materials—ads, brochures, sample books, etc.—but let's assume that you are on your own.) Write an "ad" for your product, something "earcatching" that will arouse interest. Don't let the fact that you are writing lead you into using fancy language. Write as if you were talking to a live person, with sincerity and simplicity.

You should be warned—it won't be easy. It is much easier to be free to use all the words you want, but to try to distill an idea down to its bare bones and still maintain (or create) interest on the part of your listener will give you a new appreciation of what an advertising copywriter does. And it may help you to develop a new sales presentation that will get you to those beautiful words, "Please sign here to confirm the order" more often than before.■

Sales People

Robert P. Latzen has been appointed vice president, national sales, of J B Papers, Union, NJ. He will be responsible for sales to large enduser accounts, direct mail, catalog and consumer marketing. Mr. Latzen comes to J B Papers with more than 10 years experience in paper sales and marketing.

Louis Malvezzi has joined the sales force of Mayer Myers Paper Company, Memphis, TN. Mr. Malvezzi was formerly a district manager for Premium Brands and is new to the paper industry.

G. Edward Kizer has been named a sales representative in The Fonda Group's Service Division. Mr. Kizer, who will be based in the Louisville, KY, area, joined Fonda in January after 23 years with Lily-Tulip Cup.

Jay C. Wedin has been appointed district sales representative for Hammermill Papers' New York City area. Mr. Wedin came to Hammermill from the Groveton Division of James River Corporation.

Janice Rajecki has joined James River Corporation's Merchant Paper Sales Division as a specification sales representative. She will draw on her recent experience as a graphic designer in the Chicago area to represent the company's premium paper products to the Chicago design community.

Lisa Aycock is the new area sales manager for Nashua Graphic Products mid-west territory. She will be based in Chicago and will cover Illinois, Wisconsin, Minnesota, Iowa, Missouri, Nebraska, North and South Dakota.

Michael A. Price has been named sales manager-tags for Mail-Well Envelope Company's Cleveland division. Mr. Price was previously the national sales manager for a tag and label manufacturer in Michigan. Mail-Well has manufacturing plants in 14 cities and is part of Great Northern Nekoosa Corporation.■

Canover Industries Acquires Distributor

Canover Industries, Inc., Maspeth, NY, a manufacturer of packaging products such as fancy merchandise bags, reinforced mailers and wrapping tissue, has acquired the Distel Group, also of Maspeth, NY. Distel is a New York distributor of industrial packaging products. Irvine Mermelstein, president of Canover, said, "This acquisition fits perfectly into our industrial packaging group. It enables Canover to expand our share of market sufficiently to improve turnover and help us sustain a competitive position in the Metro New York/New Jersey area. It adds a sales and service commitment on selected external packaging equipment that Canover lacked."

John Pergentile, former president of the Distel Group, has been appointed Canover's vice president-marketing. It is expected that almost all of Distel's personnel will join Canover.■

Are You Just an Order Taker? Try Consulting!

One of the major on-going concerns in our industry is the subject of employee training. Some companies spend a fortune on training while others adopt an attitude of "sink or swim." Often, what training is given is directed toward getting the order by overcoming "objections" and closing again.

That's fine if all we want our salespeople to be are order takers. Certainly an order taker is of value to his or her employer—but is he/she of any value to the customer? What kind of value? The value that comes from being a true expert in whatever it is you are selling, so that your customer relies on you (and trusts you) for guidance in purchasing what is right for his needs. When you reach the point at which you are a trusted consultant to your customers, you have made yourself an invaluable and necessary part of their business—which greatly increases your value to your own company.■

Take Advantage of Selling Materials

There's an old saying about "in one ear and out the other," and we are all aware that there *is* a limit to how much is actually remembered of what we are told. This can be a major problem for a salesman who calls on a customer and spends a lot of time describing his products. Will the customer really remember it all? If he is a purchasing agent who sees many salespeople, will he remember that it is *your* company that handles that great product he now needs?



Robert M. Sterling has been named Sales Representative of the Year for 1986 for the Virginia Paper Company chain. Competition for the 1986 award included sales representatives from 16 locations in nine southeastern states. Mr. Sterling has served as sales representative in Virginia Paper's Charlotte, NC, location since 1981 and previously won this prestigious company-wide award in 1984, the first year it was presented. Virginia Paper Company is a recently-acquired division of Mead Merchants, Dayton, OH.■

There is a fairly simple solution to this problem: leave a sample or a sales brochure with the customer when you depart. A sales brochure, by itself, no matter how slick, cannot substitute for the salesperson because it must, of necessity, be general in nature. It is the job of the salesperson to demonstrate to the customer how the product meets *his* individual needs. But, once you have departed his premises, your words of wisdom have vanished into thin air. Only by leaving something concrete behind can you reinforce what you told the customer. It is akin to the old dispute between the media—radio and TV have the immediacy that only the human voice can provide. But, the newspaper or magazine can be saved and referred to at any time and studied at length. A combination of both methods of making your point (voice plus something concrete) will help your customers remember whom to call when the time comes to place an order.■

Portable Computers: To Go Or Not To Go?

Technology constantly affects our ways of doing things, and the job of the salesperson is no exception. A growing number of people whose jobs take them out of their own offices into those of their clients are finding that portable, "laptop" computers are helping to make them more productive and better able to service their customers.

Management News is planning to do an article exploring this latest application of high technology, and would like to hear from any NPTA member company which is either already using laptops (or larger portables) or is thinking of using them. We are interested in what equipment is being used (or considered), what programs will be employed, what effects have been noted if they are already in use, how the salespeople have reacted to them, what problems (if any) have been noted, etc.

Continued

If your company is in either category (already using or considering it), please write to Ira Newman at NPTA headquarters, 111 Great Neck Road, Great Neck, NY 11021. Your cooperation will be greatly appreciated. ■

What Comes After the M?

On the theory that if men could be addressed as "Mr.," women were equally entitled to a designation that ignored their marital status, "Ms." came into use a few years ago. A study by Heidrick & Struggles, an executive recruiting firm located in Chicago, has found that 42% of married women executives prefer Ms. to Mrs. and 55% of single women prefer Ms. to Miss. The younger the woman, the more likely she was to prefer Ms., while only 18% of women 50 years of age or older wanted to be addressed as Ms. ■

Robert Burns Gets His Wish With Video

In one of his most famous lines, Robert Burns, the Scottish poet, wished that the gods would give us the ability to "see ourselves as others see us."

In a small measure, that wish can now become a reality. As video cassette players have become widespread, many training programs have been produced in that medium. But training personnel can do more than just use pre-recorded programs. They can produce their own programs.

Video cameras are now made by a great variety of electronics and photographic companies, and prices are becoming much more reasonable. These cameras can be used very effectively in sales and other training programs.

One commonly used procedure is to have students engage in roleplaying, with one acting the part of the salesperson while another acts as the cus-

tomers. Such acting of parts helps the trainer to pick up and point out to the individuals engaged in the action just what it is that they are doing right or wrong. But the actors are still unable to "see" themselves as others see them—until now.

Just as you were probably shocked the first time you heard your voice played back from a tape recorder, so it is with a playback of a video tape. Except that now we are made aware not only of our voices, but all the body movements and facial expressions we use. If there is a problem or problems with anything that we are doing, becoming aware of them is the first step on the road to correcting them.

Since video cameras are simple to use and permit instant playback, they are ideal partners in the work of the training department of your company. ■

DELTA AIRLINES

*The Official Airline
of the 1987 NPTA Annual
Convention & Exposition*



FLY TO ATLANTA AND SAVE

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40%

*You'll even save some on
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For More Details, Call Toll-Free 1-800-241-6760

Ask for Account #D0045

Tax Reform Affects Write-Offs for Entertainment, Travel Expenses

The Tax Reform Act of 1986 makes significant changes to the rules for deducting meals, entertainment and travel expenses, reports the National Association of Wholesaler-Distributors (NAW). The changes reduce both the amount that may be deducted for such expenses and limit the circumstances under which they may be claimed. These changes were motivated by a perception, widely held in Congress, that deductions for business meals, entertainment and travel have been subject to abuse by some taxpayers.



The Internal Revenue Service released Advance Notice 87-23 "which alerts taxpayers to these changes" on February 13, 1987. Neither this Advance Notice, nor the Act itself, are clear on all matters relating to the new rules. Hence, final analysis of the new rules and compliance procedures must await publication of the final regulations by the IRS. NAW will publish a supplemental TAX ADVISORY when the final regulations are published.

Nonetheless, it is important to begin to assess the impact of the changes—and the best way to comply with them—as soon as possible since the changes are generally effective for taxable years beginning on or after January 1, 1987.

This report is intended to outline the changes in this area of the law for the reader. It is not meant to replace consultation with your regular tax or legal advisors.

Prior Law

Meals, entertainment and travel deductions were generally 100% deductible under prior law. Food and beverage expenses that constitute ordinary and necessary business expenses

were deductible if the meal took place in an atmosphere conducive to business discussion whether or not business was discussed before, during or after the meal.

In contrast, other entertainment expenses, as well as travel expenses, were fully deductible if, in addition to constituting an ordinary and necessary business expense, they were either (1) directly related to the active conduct of the taxpayer's business, or (2) if they directly preceded or followed a substantial and *bona fide* business discussion associated with the active conduct of the taxpayer's business.

New Law

Deduction limited to 80% of cost: Under the Tax Reform Act of 1986, the amount of an otherwise allowable deduction for meal or entertainment expenses is reduced by 20%; that is, only 80% of the otherwise allowable deduction may be used to reduce taxable income. This reduction applies to any expense for food or beverage, as well as any item relating to an activity which is generally considered to constitute entertainment, amusement or recreation.

In cases in which a taxpayer, such as an employee, is reimbursed by his employer for the cost of a meal or entertainment, the 80% limitation is applied to the party which makes the reimbursement. For example, a member of a wholesaler-distributor's sales force can take a customer to dinner to discuss the customer's needs for the coming year. Even if the company fully reimburses the salesperson for the meal, the company may deduct only 80% of the reimbursement.* (See Note on P. 27)

Note that taxes and tips which relate to a meal or entertainment activity are included in the amount subject to the 80% limitation.

On the other hand, most hotel and transportation costs (for example, cab fare to a restaurant for a business meal) remain fully deductible under the new law.

Significantly, the 80% limitation also allows full deductibility for registration fees and travel to trade association conventions or annual meetings.

Exceptions to the 80% Rule: The Tax Reform Act creates a number of exceptions to the 80% limitation on the deductibility of business meals, entertainment and travel. For example:

- An employer's expenses for meals and entertainment are fully deductible if the expenses

One of the exceptions to the new law:

"Expenses directly related to and necessary to attendance at a business meeting or convention of certain tax exempt business leagues or similar organizations."

are treated by the employer as compensation to the employee who is the recipient of the meals or entertainment. Note that in addition to being treated as compensation to the employee on the employer's tax return, the amount must be treated as wages for the purpose of withholding income tax.

- As noted in the section above, meals and entertainment expenses which are reimbursed to an employee are fully deductible to the employee—the 80% limitation applies to the employer making the reimbursement. IRS Advance Notice 87-23 provides an example relating to law firms which wholesaler-distributors may want to examine. The Notice provides that:

"...if a law firm separately accounts for meal and entertainment expenses as required under Section 274(d) and is reimbursed by a client, the law firm is not subject to the 80% limitation on these expenses. In such a case, however, the client is subject to the 80% limitation. If a law firm pays or incurs expenses for meals and entertainment in connection with providing services for a client but does not separately account for and seek reimbursement for such expenses, the law firm is subject to the 80% limitation on such expenses."

- Expenses for traditional recreational, social and similar activities for employees, including the cost of facilities, such as a year-end holiday party or a summer golf or tennis outing for employees and their families are fully deductible.

- Expenses for services and facilities which are made available by the taxpayer to the general public such as a free concert or tickets to a baseball game or other event provided, for example, to the first one hundred people who visit a place of business on a particular date, or to people who purchase an item from a store during a sale, are fully deductible.

- Expenses for food and beverage relating to a "qualified banquet meeting" are fully deductible if incurred before January 1, 1989. (After January 1, 1989, expenses related to such events are subject to the 80% limitation.) A "qualified banquet meeting" means a convention, seminar, annual meeting, or similar business meeting if:

1. An expense for food or beverage is *not* separately stated from the other qualified

meeting expenses such as the attendance at speeches or other program activities;

2. At least 40 individuals attend;

3. Food and beverages are part of a program that includes a *bona fide* speaker (no definition of a "bona fide" speaker is provided); and

4. More than 50% of the participants are away from home.

While at least 40 individuals must attend the program for it to satisfy the qualified meeting test, 40 individuals need not attend each separate event. Moreover, the speaker does *not* have to be present at the meal as long as the speaker speaks immediately before or after the meal.

A "good faith determination" by the sponsor of a convention, seminar, annual meeting, or similar business program that the program satisfies the four requirements specified above will ordinarily be sufficient to substantiate the program as a qualified meeting for purposes of this rule. Thus sponsors, such as trade associations, may make such determinations available to the participants. Note, however, that neither the Act nor Advance Notice 87-23 make clear what constitutes a "good faith determination" by the sponsor of such an event.

The Advance Notice also provides that a taxpayer may make one expenditure for goods and services consisting of food and beverage, entertainment and other services such as lodging and transportation in situations which do not include a "qualified meeting" before January 1, 1989, and thus are not excepted from the 80% limitation. For example, a hotel may include one or more meals in its room charge, or a company may provide its employees with one per diem amount to cover both lodging and meal expenses.

In these cases, an allocation on a "reasonable basis" between the expenditures for food, beverages and entertainment, and the expenditures for other services is necessary. The IRS indicates that it is exploring the feasibility of providing a "mechanical test" for the allocation of expenses that would serve as an alternative to a "reasonable allocation based on facts and circumstances." No indication is provided as to what form such a "mechanical test" might take.

Other Limitations on Meal Expenses:

1. **BUSINESS CONNECTION REQUIREMENT:** The Tax Reform Act of 1986, in addition to limiting the deduction for meals and entertainment expenses to 80% of their cost, imposes additional limitation on such deduc-

tions. Under the Act, deductions for meals are now subject to the same requirements that applied to other entertainment expenses under prior law; expenses for food or beverages are not deductible unless the taxpayer establishes that such expenditures are ordinary and necessary to the active conduct of business and that they are either "directly related to" or "associated with" the active conduct of business. Thus, a deduction is not allowed unless business is discussed directly before, during or directly after the meal (except for an individual traveling away from home on business only claims a deduction for his individual meal).

Moreover, a deduction is only allowed if it is substantiated by "adequate records or other sufficient evidence corroborating his or her own statement." (Receipts are not required for expenditures under \$25.) Again, the substantiation requirements for business meals are now the same as those that previously applied to other entertainment expenses.

There are nine exceptions to the business connection requirement for business meal expenses. They are the same exceptions that apply to other entertainment expenses. They include:

- Expenses for food and beverages furnished on the business premises of the taxpayer primarily for its employees;
- Expenses that are treated by the taxpayer as compensation to the employee;
- Certain expenses paid or incurred by the taxpayer in connection with the taxpayer's performance of services for another person under a reimbursement or other expense allowance arrangement with such other person;
- Certain recreational expenses primarily for the benefit of employees;
- Expenses directly related to business meeting of the taxpayer's employees, stockholders, agents or directors;
- Expenses directly related to and necessary to attendance at a business meeting or convention of certain tax exempt business leagues or similar organizations;
- Expenses for goods, services and facilities made available to the general public;
- Expenses for goods and services that are sold to customers; and
- Certain expenses for goods, services and facilities to the extent that the expenses are includable in the gross income of a recipient who is not an employee of the taxpayer as compensation for services or as a prize or an award.

2. "LAVISH" OR "EXTRAVAGANT" MEALS AND TAXPAYER PRESENCE: The pre-1986 Act rule which disallowed deductions for lavish and extravagant travel expenses, including meals, is extended under the 1986 Act to apply to *all* business meals, even for those expenses which are incurred while not away from home. According to the IRS Advance Notice 87-23, a determination of whether an expenditure is lavish or extravagant depends upon the "facts and circumstances." However, the IRS does not clarify the "facts and circumstances" which are considered in making the determination. Presumably, such clarification will be forthcoming when final regulations are published.

Furthermore, deductions for food and beverage expenses are not allowed unless the taxpayer, or an employee of the taxpayer, are present when the food or beverage is provided. For purposes of this rule, an independent contractor who renders significant services to the taxpayer is treated as an employee if he or she attends the meal in connection with the performance of such services.

Neither the lavish or extravagant limitation nor the presence requirements applies to any expense that is excepted from the 80% meal limitation discussed above.

Luxury Water Transportation: The Act limits the amount of any otherwise allowable deduction for the costs of cruise ship or other luxury water transportation. Such deductions are limited to twice the highest amount that federal government employees working in the executive branch are allowed for travel expenses multiplied by the number of days traveled. For example, the latest federal per diem allowance is \$126. Hence, deductions for a business trip by ocean liner would be limited to \$252 a day multiplied by the number of days traveled. Federal per diem rates are established by the General Services Administration and are revised periodically.

Conclusion

It is NAW's view that these rules create administrative burdens of significant and unnecessary complexity. Appropriate business expenditures should be 100% deductible, or they should not be deductible at all. An 80% deductibility approach makes no more sense than does a 91%, 82%, 75%, or any other factor.

If you agree, write your Congressman and Senators with a blind copy to NAW: 1725 K Street N.W., Washington, D.C. 20006.

**A businessperson who incurs expenses for business meals or entertainment and is not reimbursed will face an additional limitation. Individual miscellaneous itemized deductions are now subject to a "two percent" rule which disallows personal business expense deductions when a floor of 2% of adjusted gross income is reached. Business expenses above the 2% floor are deductible. The 80% limitation is applied prior to the application of the 2% floor.*

Convention '87 is Heating Up for Atlanta this Fall

All signs now point to an exciting Annual Convention for NPTA, September 19-22, 1987 in Atlanta, GA. It is expected that the Special Events and the Paper/Plastics & Allied Products Exposition will be sold out prior to opening day.

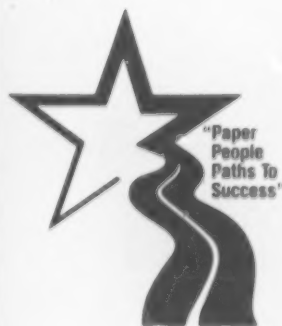
Paper/Plastics & Allied Products Exposition Hours

In the Apparel Mart, Atlanta, GA

Saturday, September 19: 10:00 a.m.—5:00 p.m.

Sunday, September 20: 11:30 a.m.—5:00 p.m.

Monday, September 21: 8:30 a.m.—12:00 Noon



NPTA's 1987 Convention and Exposition is now expected to be the largest event in the paper industry's history. Coming on the heels of a sold-out show in Boston, the Paper/Plastics & Allied Products Exposition will probably be 20% larger. Increased industry activity may be driving interest in the show and merchant registration forms continue to come in at a fast pace.

NPTA reports that they now expect more than 200 exhibiting companies that will take nearly 300 booths. There will also be 35 first-time exhibitors.

Special Notes

Plan now to attend The Main Event on Convention Sunday from 10:30 AM—12:00 Noon. The keynote presentation will be given by Elie Wiesel, 1986 Nobel Peace Prize winner. The times of other Convention activities have been adjusted so everyone will have the opportunity to hear his inspiring message. (Suppliers are requested to have their breakfast meetings concluded by 10:30 AM.)

NPTA's Annual Chairman's Luncheon, with proceeds going to the Paper And Plastics Education Research (PAPER) Foundation, will be held on Convention Monday beginning with a cash bar reception at 12:00 Noon. The keynote address will be provided by President Gerald R. Ford, and the 1987 Stanley O. Styles Industry Excellence Award winner, Lawrence H. Boling, president of Consolidated Papers, Inc., will be honored. (Tickets are required. Use the Special Events ticket order form in this issue.)

Frankly Scarlett ...

An Atlanta Celebration will be held on Convention Saturday as NPTA creates a magical "Return to Tara." This special reception will be held from 6:30 PM—8:00 PM, and will feature a reminiscence of the Old South through the recreation of a plantation setting, music, special drinks and hors d'oeuvres. All merchants who pre-register will receive a free invitation and suppliers occupying booths and hospitality suites will get three free invitations per booth or suite each. (Additional tickets may be purchased by using the Special Events order form in this issue.)

Is One NPTA Enough? Are Two Too Many?

"It could only happen to us," said NPTA president John J. Buckley, Jr. "While we are in Atlanta for our Annual Convention, the National Passenger Traffic Association (NPTA)—a smaller group—will be in town." When checking into your hotel, use the phrase "Paper Trade" instead of "NPTA" to avoid confusion.

Other Points of Interest

Spouses program tickets are expected to be sold out prior to opening day. There are four days of activities planned. If you need more information, either refer to the May issue of *MN*, or call the NPTA headquarters office.

Plan now to attend NPTA's sessions on technology, trends, business papers, industrial packaging, customer service and substance abuse. All of the programs are being presented by experts in their fields. Review the May issue of *MN* or call the NPTA headquarters office.

Don't forget to make your hotel reservations before the deadline. NPTA's room blocks will not be in effect after August 27, 1987. At that time prices will go up.

The largest paper distributor/converter is still growing.



Since we became Paper Corporation of America, we have continued to expand and improve our servicing capability. We now have 113 wholesale distribution locations, 12 manufacturing plants and 51 Paper Plus retail stores.

We are unique in being able to service our customers from these facilities in almost every major market in the country. This can be especially important to customers with multiple locations, as well as for those suppliers who are looking to us to get their product to market.

Our distribution companies

- Baldwin Paper
- Carpenter Paper of Nebraska
- Copco Papers
- Garrett-Buchanan
- LaSalle Messenger Paper
- Mid-Continent Paper
- Monarch Paper
- Paper Corporation of United States
- Rourke-Eno Paper
- Saxon of Florida
- Saxon of New York
- Seneca Paper
- Unijax
- Unisource
- Universal Paper

Our converting companies

- Central Paper
- Coastal Plastics
- Quality Park Products
- Unijax Converting
- Wyomissing

Our marketing programs

- Copysource®
- Econosource®
- Paper Plus®
- Sphinx®
- Tailored Brands™
- Websource®

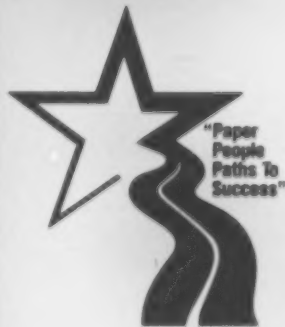


Paper Corporation of America

An  Standard Company

Elie Wiesel: A Life Devoted to Bearing a Message of Peace and Human Dignity

The winner of the 1986 Nobel Peace Prize will be the featured speaker at The Main Event of the NPTA Convention, Sunday, September 20, at 10:30 am in the Atrium of The Apparel Mart.



It is estimated that about 12 million people were exterminated in Nazi concentration camps during World War II—six million Jews and six million others who were considered “undesirables” in the eyes of Hitler and his followers.

Of those who survived the experience of being sent to such a camp, some have tried to tell the story of what happened to them, but only one person—Elie Wiesel—liberated from Buchenwald at the age of 16, discovered in himself the capacity to distill the experience in so clear a manner that he has become recognized world-wide as *the* voice of conscience that reaches out to all mankind.

Elie (short for Eliezer) Wiesel, settled in Paris after the war. After studying philosophy at the Sorbonne, he became a foreign correspondent for an Israeli newspaper, and, in the course of his work, interviewed the French writer François Mauriac, who encouraged him to write about his experiences in the death camps. Elie Wiesel accepted the challenge, and, two years later, published the first of his many books, *Le Nuit (Night)*.

In succeeding years Elie Wiesel wrote 25 other books, including *The Jews of Silence*, about the Jews of the Soviet Union, *A Beggar in Jerusalem*, a novel about the Arab-Israeli war of 1967, and *Souls on Fire*, a collection of Hasidic stories.

As Dr. Wiesel's works became more widely known, his powerful pleading, not only for remembrance of the Holocaust, but for the granting of human rights and human dignity to oppressed peoples all over the world, including Russia and South Africa, has led to his receiving over 100 awards for outstanding service to humanity, including 38 honorary doctoral degrees. However, Dr. Wiesel has declared “If I could bring back one person, I would gladly give back all that has been given to me.”

During the past several decades, Elie Wiesel has become an advisor to Presidents, looked to for the expression of moral concerns on issues of peace and human rights. His experiences did not embitter him—rather they have served to instill in him an overwhelming desire to serve the cause of humanity in promoting reconciliation while, at the same time, trying to ensure that the world never permits another Holocaust to take place.

Elie Wiesel lives in New York today, though he spends much of his time at Boston University, where he has been a professor of humanities for 10 years. His eloquence as a speaker has resulted in his being much in demand to present his ideas before groups all over the country.

Speaking at a press conference in New York after being notified of his receipt of the 1986 Nobel Peace prize, Dr. Wiesel stated that “in Jewish history there are no coincidences,” referring to his prize coming right after Yom Kippur, the holiest day in the Jewish religious calendar, when, he believes, some of his friends and he “prayed well.” Perhaps the fact that Elie Wiesel survived the war to become the person he is today was also no coincidence.

Elie Wiesel's appeal to audiences is broad. His message has grown beyond the Holocaust to encompass all people. He inspires and challenges those who hear him with a quiet reverence for the past and hope for the future.

Be certain to attend The Main Event on Convention Sunday at 10:30 am, in the Atrium of The Apparel Mart. Those who are present will certainly long remember Elie Wiesel's Key-note address.

The Main Event:

Hear Elie Wiesel, Nobel Peace Prize Winner, on Convention Sunday, September 20, at 10:30 am in the Atrium of The Apparel Mart.

The purpose of wholesaling/distribution is to add value to products. Every wholesaler/distributor sells on two things: price and services. Services are also referred to as "added values." These services/added values typically include such items as access to inventory, granting of credit, some form of delivery, convenient business hours, accurate billing, product installation/knowledge and handling of returns and repairs.

That these services/added values will be provided is simply expected! They are givens. These expected services seldom motivate people to buy from us. However, if these expected services are not adequately provided, they can cause customers to stop doing business with us.

So why other than price do customers choose one source over another?

The answer lies in the extraordinary services/added values provided in addition to the expected services.

Ironically, the majority of businesses generate numerous extraordinary, unique and distinct added values. Yet frequently, most of these businesses don't fully utilize these wanted, needed and appreciated services.

The techniques outlined in the presentation are designed to help us probe our business in order to discover, itemize, audit, evaluate and utilize our current services. The procedure works as follows:

A. Every product-oriented business pursues four objectives:

1. Product Availability
2. Customer Cost Efficiencies
3. Administrative Effectiveness
4. Technological Currency

Each of these objectives are well defined in the presentation.

B. Each objective will have six to eight "thought starters" that stimulate thoughts about our company relative to the objective.

C. After listing our responses to the "thought starters," we answer the following two questions about each of the responses:

1. How are we measurably better than our competition in this aspect?
2. How could we improve this aspect?

We will discover how and where we are as good as the best and/or better than most of the competition. We will discover our critically-important added values. We will also see where we have opportunities to improve. The answers are our results.

The technique works like this: Objec-

How Are We Excellent?

Stephen C. Zaremba will be presenting his proven approach to improving customer service at the NPTA Convention on Saturday, September 19, 1987.

tive → Thought Starters → Responses → Two Questions Evaluate Each Response → Results!

Finally, the procedure offers suggestions about the various ways we can use our results.

Field-testing this procedure proves that any person in business can apply the procedure and achieve valuable results. Remember, however, all added values are people-oriented and the pursuit of these objectives involves all the tasks performed by all the people in a given company. Therefore, the more people involved in responding to the procedure, the more added values will be discovered which leads to more productive results.

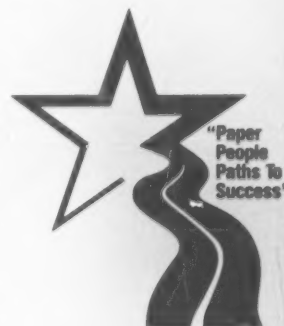


By Stephen C. Zaremba

Convention Session

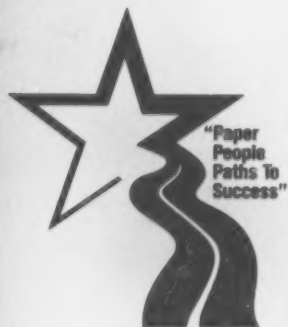
"How Are We Excellent?" is the title of Mr. Zaremba's session held at the NPTA Convention of Saturday, September 19, 1987 from 10:00 AM—12:30 PM. This will be followed by a special Young Executives Forum (YEF) luncheon from 12:30 PM—1:30 PM. (Tickets required. Use the Special Events ticket order form in this issue.)

All participants at Mr. Zaremba's session will receive his book "How Are We Excellent?" (\$40) at no cost. The book will help all who use it put his self-evaluation program in action. Mr. Zaremba has built his system on his experience consulting in a variety of wholesale distribution commodity lines.



"Return to Tara" With NPTA in Atlanta this Fall

Plan now to "Return to Tara" when you attend the NPTA Annual Convention and Exposition in Atlanta this Fall. On Convention Saturday, from 6:30 PM—8:00 PM in the Atrium of the Apparel Mart, attendees will be treated to a most unique reception.



Return with NPTA to the Old South at Convention '87 this year in Atlanta. Return to the days of beautiful plantation homes and gardens and a less complicated way of life. Return to Tara.

On your way to Supplier functions on Convention Saturday at 6:30 pm, join your fellow Convention attendees as they make the Old South come alive. This will be the most lavish party of the 1987 Convention and you can take part in the fun!

Sipping mint juleps on the veranda with your hound dog at your feet, Spanish moss swaying in the breeze overhead and the sweet scent of magnolias in bloom—these are the images of the Old South that you will experience at NPTA's "Return to Tara" Reception. We will recapture this ambiance with a majestic setting of an antebellum mansion and its formal garden fountains, representing the charm and graciousness of the past in all its former glory.

As you enter the Apparel Mart Atrium you will pass through the tall stone estate gates of the NPTA Plantation. The gates are topped with the colonial symbol of welcome, the pineapple, and surrounded by lush greenery.

Commanding attention in the center of the Atrium is the Mansion. It's soaring height invites you to dance or dine within its walls. Surrounding the outside of the Mansion are tall ficus trees, shrubbery and potted flowers to add warmth and color, plus magical lighting throughout the Mansion to accentuate its majesty.

To either side of the Mansion, surrounded by ficus trees and lattice, are two functional lion's head fountains. Votive candles around the bench add a touch of sparkle.

Strolling through the gardens and mansion of the NPFA Plantation will be a number of "Rhett Butlers" and "Scarlett O'Haras." Their charming presence will round out the event.

This is but a glimpse of what is in store for Convention goers this year. Everyone who pre-registers will be invited to attend this magnificent reception in the building that houses NPTA's Paper/Plastics & Allied Products Exposition.

Merchants Wishing to Attend

Only merchants who pre-register (members and non-members) will be sent free invitations to attend this lavish event. For those who register on-site or would like to purchase additional tickets, the cost is \$15 each. (Use the Special Events ticket order form in this issue.)

Those pre-registering will receive an invitation from NPTA to the party. Once you RSVP a free ticket will be sent. No tickets will be sold on-site.

Suppliers Wishing to Attend

All suppliers who are exhibiting in the Show will receive three free invitations to "Return to Tara." All suppliers occupying hospitality suites in official NPTA hotels will be sent three free invitations to the event, as well. Additional tickets may be purchased for \$15 each. (Use the Special Events ticket order form in this issue.)

Suppliers receiving three invitations each will be required to RSVP with the names of those wishing to attend. When RSVPs are received by NPTA, free tickets will be sent.



SPECIAL EVENTS TICKET ORDERS



OFFICE USE ONLY

Check # _____ Amt. _____

Order Rec'd. _____

Tickets Mailed _____

Deadline	Mail To	Payment
Order Form Must Be Received At NPTA By August 15, 1987 . After That Date All Tickets Must Be Picked Up On-Site	National Paper Trade Association, inc. 111 Great Neck Road Great Neck, New York 11021	PAYMENT MUST ACCOMPANY THIS FORM. Tickets for Special Events Are Not Refundable After September 1, 1987. Photocopy for your records.
TICKETS FOR ALL EVENTS MAY NOT BE AVAILABLE ON SITE: ATTENDANCE IS LIMITED		

Chairman's Luncheon:

Stanley O. Styles Industry Excellence Award Presentation:
President Gerald Ford,
Keynote Speaker

(Proceeds from the Luncheon will be donated to the PAPER Foundation. The full ticket price is totally deductible under the new tax law.)

Monday, September 21, 1987

12:30 p.m. - 2:30 p.m.: Hyatt Regency Atlanta

_____ tickets at \$75.00 each \$ _____
 _____ tables of 10 at \$750 \$ _____

Young Executives Forum

Reception, Luncheon, Special Meeting.

Saturday, September 19, 1987

12:30 p.m. - 2:30 p.m.

_____ tickets at \$35.00 each \$ _____

Paper People Paths To Success Reception.

Atlanta Apparel Mart Atrium

Saturday, September 19, 1987

6:30 p.m. - 8:00 p.m.

_____ tickets at \$15.00 each \$ _____

Spouses Program: Atlanta: A Real Treat

Friday, September 18, 1987

11:30 a.m. - 3:30 p.m.

Luncheon at the Carter Presidential Center.

Presentation by Mrs. Rosalynn Carter followed by a Tour of the Center.

_____ tickets at \$45.00 each \$ _____

Saturday, September 19, 1987

CHOOSE ONE:

- **Elegant Atlanta.** Introduction to the City of Atlanta. **This Tour Includes Lunch.**
 12:30 p.m. - 4:30 p.m.

_____ tickets at \$37.00 each \$ _____

- **Presenting Atlanta.** Introduction to City of Atlanta. **This Tour Does Not Include Lunch.**
 1:00 p.m. - 4:30 p.m.

_____ tickets at \$25.00 each \$ _____

Sunday, September 20, 1987

CHOOSE ONE: (Both tours include lunch)

- **House Tour of Newnan, GA.**
 10:30 a.m. - 3:30 p.m.

_____ tickets at \$40.00 each \$ _____

- **House Tour of Newnan, GA.**
 12:30 p.m. - 5:00 p.m.

_____ tickets at \$40.00 each \$ _____

Monday, September 21, 1987

9:15 a.m. - 11:30 a.m.

"The Real Coke, the Real Story" by Tom Oliver

_____ tickets at \$20.00 each \$ _____

REMEMBER! ORDER CHAIRMAN'S LUNCHEON TICKETS NOW.

CHECK MUST ACCOMPANY ORDER — TOTAL FEE REMITTED \$ _____

All Funds Must Be In U.S. Dollars

PLEASE MAIL TICKETS TO: _____

NAME: _____

COMPANY: _____

ADDRESS: _____

CITY: _____

STATE: _____

ZIP: _____

PHONE #: _____

Names of Young Executives Forum Participants: _____

* This 12:30 p.m. departure time is for those who wish to attend NPTA's "Main Event, 10:30 a.m. - 12:00 Noon, featuring Nobel Peace Prize Winner Elie Wiesel.

Fueling the Paper Distribution Engine: Know What Really Helps (Or Hurts)

As all of us in the wholesale distribution industry know, our daily "currency" is product and value-added services, rather than money. But when you come right down to it, those income dollars are the bottom line. They're the "fuel" that keeps the "engine" of our companies running. Without that critical income, we're unable to meet payroll, buy goods from our suppliers or pay taxes. We have no incentive to work hard, because there's no potential for reward.

OK—we've established the importance of the bottom line. But what affects the figure that we see in stark black and

white on our balance sheet? Surprisingly, minor changes in a wholesale distribution operation can have a major impact on the bottom line. And an understanding of the factors that cause these changes in paper wholesaler distributor's profitability is important for every company employee, both "full-timers" and "part-timers." The better their understanding, the more conscious they can be about helping (not hurting) the bottom line.

NAW's audio cassette seminar *What Really Helps (Or Hurts) Your Company's Bottom Line* is designed to teach employees about the factors that influence

company profitability. The seminar is a learning tool which explains profitability in operational terms which are relevant to your employees' experience. It addresses the four profit variables (price, quantity, cost of goods sold and expenses) and illustrates the ways in which they interact, using examples drawn from everyday industry transactions. Employees follow an audio cassette using the accompanying workbooks to practice the concepts which the *What Really Helps* seminar introduces. By the end of the 25 minute session, profitability and its component parts are familiar concepts.

The seminar is ideal for self-instruction, but can be readily adapted to a group teaching environment. The kit comes complete with the audio cassette, workbooks and a discussion leader's guide for use in group situations. With the help of the guide the wholesale distribution industry manager can effectively conduct an informal class session.

What Really Helps (Or Hurts) Your Company's Bottom Line is equally valuable as a learning tool for beginners in business or as a refresher course for industry veterans. For more information, write to NPTA Communications Department, 111 Great Neck Road, Great Neck, NY 11021, or telephone 516-829-3070.

Please send me _____ copy(ies) of **What Really Helps (Or Hurts) Your Company's Bottom Line**

For mailing within the United States: (payment in full required)

\$50.00 plus \$3.00 shipping and handling = \$53.00 total per book

☐ Check Enclosed

☐ Bill My Credit Card

☐ Amex

☐ Mastercard

☐ Visa

Card # _____

Exp. Date _____

Signature of Card Holder _____

For International Mailing:

The Total Amount of My Order is: \$ _____

\$50.00 plus \$5.00 shipping—please enclose check (all funds in U.S. dollars drawn on a U.S. bank) = \$55.00 per book

Name _____ Title _____

Company _____

Street Address _____

City _____ State _____ Zip _____

Phone _____

10-Day Money-Back Guarantee Offered On All NPTA Publications

National Paper Trade Association, Inc., 111 Great Neck Road, Great Neck, New York 11021; 516-829-3070



MANAGING CUSTOMER & PRODUCT LINE PROFITABILITY

*If Profitability Is the Issue, the Solution Lies in
Peter Mullins' Message Of Evaluating and
Utilizing Customer/Supplier Information.*

This one-day seminar provides an indepth examination of the value and methods of measuring the profitability of individual customers and product classes. Dr. Mullins covers both non-computerized and data base management approaches.

Who Should Attend

- Chief Executive Officers • Financial Managers
- Division & Branch Managers

JULY 31, 1987
del Coronado Resort, Coronado, CA

Yes. I want to better evaluate the profitability of both my customers and product lines.

For registration and more information please complete.

Name _____ Title _____

Company _____

Address _____

City/State _____ Zip _____

Fees	Member	Non-Member
1st Participant	\$330	\$400
2nd Participant		
same company	\$270	\$330
3rd Participant		
same company	\$180	\$220

Mail to: Education & Training Department,
NPTA, 111 Great Neck Rd.,
Great Neck, NY 11021

NPTA Committees Meet for Week of Activities in Florida

The National Paper Trade Association held its fifth annual "Committee Week" in Key Biscayne, FL, May 4-8, 1987. Fifty of the Association's volunteer leaders were in attendance.

In an effort to enhance the volunteer leadership of the National Paper Trade Association, its Board of Directors instituted the first Committee Week in 1983. All committees, as well as the Board, met to set the direction of original projects and establish new services for the industry.

This year's event performed the same function, but was held in a very different type of location than in the past—thanks to the NPTA's Chairman of the Board Francis J. Houlihan, President of Fleetwood Paper Company, Franklin Park, IL. "We have met previously in city locations and I thought it was time for a change," he said, speaking of Key Biscayne. "The resort atmosphere was relaxing and contributed positively to the week's activities. I think that all the committees that met contributed significantly to the progress of the Association," Houlihan said.

Board of Directors

The NPTA Board of Directors is made up of 17 members, including its five officers. Their work on Thursday of Committee Week was focused on setting the direction for the Association's many programs, approving budgets and discussing industry issues. NPTA Chairman Francis J. Houlihan set the tone for the meeting when, after welcoming everyone, he said, "This fifth annual Committee Week event has become an important part of the industry's work. If it were not for industry

people such as yourselves, who are interested in the future, these programs could not go forward, nor would new services be made available to benefit our industry."

The Board received reports from the committees that met earlier in the week and approved new educational offerings, video programs and Convention plans. (Individual committee reports follow.)

One highlight was the transfer of \$25,000 from NPTA to the Paper And Plastics Education Research (PAPER) Foundation as a dues payment for all NPTA member companies to be part of the Foundation. (The Foundation's Board of Trustees meets at other times during the year.)

Industrial Paper Division Committee

The Industrial Division of NPTA has moved to provide some exciting programs to meet the needs of industrial members. These new programs include video tape programs on Cleaning & Maintenance Supply, Retail Packaging and Industrial Packaging.

The committee has also begun to plan for its first university-based program on Industrial Packaging to be held at the Michigan State University School of Packaging. This program will be a five day intensive program on all aspects of the technical and marketing side of this exciting product area.

The Division has also begun work on a symposium focused on foodservice is-

suess such as new products and the marketing effort needed to sell them, as well as legislative issues regarding the disposal of foodservice disposable products.

The committee will also present a program at the 1987 NPTA Convention on what is new in corrugated products, cushioning materials and film and tape products.

Education and Training Committee

The Education and Training Committee recommended endorsing continued support for four major areas of merchants' training:

- in-house video training
- Learning International (Xerox) in-house programs
- industry-specific seminars
- NPTA sponsored university programs.

The Department will continue to film select seminars, symposiums and NPTA Convention presentations and will continue to develop customized industry specific training packages (modules that include video tapes, leader's guides and participant's manuals to form a complete interactive training program).

Learning International (Xerox) training programs such as Professional Selling Skills (PSS), Customer Satisfaction Telephone Skills (CSTS) and Managing Time and Territory (MTT) continue to be popular among merchants and are endorsed by the committee.

The committee is devoting itself to developing a limited number of seminars, primarily for middle and upper management, addressing issues germane to the needs of distributors.

With the development of introductory video tapes promoting NPTA's Paper Distribution Management Development Program at Miami University in Oxford, OH, and Printech Week at Rochester Institute of Technology in Rochester, NY, these highly specialized university-based programs continue to grow in recognition. The committee endorsed continued refinement of course curriculum.

Young Executives Forum Committee

This committee represents a group of 140 young industry leaders under 45 years

of age who are in a decision-making position in their firms. The programs created for this group focus specifically on middle management development issues.

To respond to this objective, the committee recommended and endorsed:

- continued growth of its national membership among wholesale paper distributors
- continued offerings at the YEF NPTA Convention session and annual mid-year YEF Executives Conference
- creation of an idea exchange/awards program at the NPTA Convention. Each manufacturer would present his firm's best promotion to help distributors sell its products.

Management Information Committee

NPTA's Management Information Committee (MIC), a group of seven presidents, treasurers and financial managers from various areas of the U.S., met for their annual Spring meeting on May 5-6. The MIC's mission is to oversee and provide guidance to NPTA's Research Department in the refinement and maintenance of such financial reports and survey programs as the annual PAR

(Performance Analysis Report), Quarterly Business Conditions Report and the monthly Paper Merchant Sales Report.

A major discussion item at this meeting was how to simplify and increase participation in the regular or long version of the PAR report, making it more relevant to members and easier to interpret. The MIC decided to retain both long and short PAR survey options, and to separate the optional product/customer class section into a stand-alone survey sent out at a different time of the year. Questionnaires were simplified in other areas. Many sales-related ratios were considered for elimination from next year's report, and will be put to a vote by companies participating in PAR over the past few years.

Several new ideas were developed as to how to increase member participation in *all* research/statistical programs, and inform the membership more fully of these services. New video tapes, audio cassettes, *MN* articles and PC based software programs will all be considered and investigated. The MIC also recognized that support for such programs must come from top management, and that mid-level financial managers are not adequately recognized. More incentive plans will be directed to the latter, as well as a special

session at the yearly NPTA Convention.

The MIC's Long Range Plan calls for looking more deeply into data processing issues—the development of an industry hardware/software reference list of contact people and an update of NPTA's 1984 computerization survey. Also, more SIC based customer and product line marketing information will be collected and disseminated to members.

Overall, the meeting's theme was to refine *existing* financial/statistical programs now in place, increase participation and confidence in them and beef up promotional efforts of the Department. It was also a "brainstorming" session for new ideas and future projects—especially computerization and Electronic Data Interchange that will impact more heavily on the industry in the near future.

Long Range Planning Committee

This committee, which has been in existence for five years, was disbanded by the Board of Directors at its Committee Week meeting. The committee was thanked by the Chairman for an excellent job in helping NPTA focus itself on the future.

The job of strategic planning has been moved to the Executive Committee of the Association's Board to carry on these planning activities.

Printing Paper Division Committee

This committee did not meet due to conflicting schedules for many of its members. It was rescheduled for June 10-11 in Pittsburgh, PA. A full report will appear in a future issue of *MN*.

Conclusion

Committee Week is vital to the work of NPTA and the paper distribution industry. The volunteer leaders that contributed to the work of their industry should be commended for their efforts. Beyond that, each participant had an opportunity to share experiences and ideas about the changing nature of the business and make NPTA's programs come alive. "After all," said Francis J. Houlihan, "that's what Committee Week is all about!"



NPTA committee members relax during dinner at Committee Week 1987 in Key Biscayne, Florida.

Obligations Under New Immigration Reform Act

The Immigration Reform and Control Act of 1986 became law on November 6, 1986. The legislation imposes new responsibilities on all employers, large and small, and will require every business to review and revise its hiring procedures.

The new law's main goals are to punish employers who knowingly hire illegal aliens, while simultaneously legalizing the status of aliens who have lived in the United States since January, 1982 or before.

Proposed regulations, recently published by the Department of Justice to implement the provisions of this far-reaching law, are reported by the National Association of Wholesaler-Distributors (NAW).

Coverage

The Immigration Reform and Control Act is much broader than is commonly understood. It applies to *all* persons (including individuals) or firms who recruit, hire or refer for a fee one or more employees regardless of whether or not the employees are aliens. Moreover, it covers employees who are hired on a part-time, temporary and other less-than-full-time basis.

Employer Requirements

An employer may not knowingly hire an alien who is not authorized to work in the United States. The employer must determine the employment eligibility of all individuals hired after November 6, 1986. Individuals hired prior to that date are considered "grandfathered" employees and the employer is not required to verify the employment eligibility of such individuals.

The required verification must take place *at the time of hire*. Within three business days of the hire, the employer must examine documents that evidence the *identity* of the individual and the *employment eligibility* of that individual. In addition, the employer and the employee must complete *Form I-9, Employment Eligibility Verification Form*.

Employees must fill out and sign this form, which provides biographical information and an attestation that the employee is either a citizen or an alien authorized to work in the United States. The employee must then submit to the employer documentation for proof of identity and of employment eligibility.

Certain documents establish both *identity* and *eligibility*. Examples of such documents are: United States passport, certificate of U.S. citizenship, certificate of naturalization and an alien registration card with photograph.

Only *one* such document need be submitted. The employer is obligated to examine the document to ensure that it appears to be genuine and must record on the I-9 Form the document identification number and any expiration date. The employer must then attest that he has examined the documents and believes them to be genuine. The completed I-9 Form must be retained by the employer for three years after the date of hire or one year after that individual's employment is terminated, whichever is later.

As an alternative, an employee may submit one document showing *identity* (such as a state issued driver's license or I.D. card with a photograph) and another document showing *eligibility* (such as an original social security number card, a birth certification bearing an official state or local government seal, or an unexpired INS Employment Authorization).

Employer Sanctions

Employers who fail to comply with the employment verification requirements, or who knowingly hire an unauthorized alien or who continue to employ an individual knowing that the employee is or has become an unauthorized alien are subject to cease and desist orders prohibiting such behavior and to fines ranging from \$250 to \$10,000 for each violation. *Until June 1, 1988, each employer will be entitled to one offense without penalty.*

An employer who can show good faith efforts to comply with the employment verification requirements will have a rebuttable defense that they have not violated the law and its implementing rules.

Immigration-Related Discrimination Prohibited

Congress was concerned that the requirements of this law could lead to employment discrimination against certain persons. Hence, the Act outlaws certain unfair immigration-related employment practices.

Unlike the provisions relating to termination of employee eligibility, there is an exclusion from coverage for employers of three or fewer employees from the unfair immigration-related employment practice rules.

Under the Act, it is an unfair immigration-related employment practice to discriminate against an individual in hiring, discharging or recruiting because of that individual's national origin or citizenship status.

The rule prohibits only those employment practices where an employer has *knowingly and intentionally* discriminated or has engaged in a pattern or prac-

Continued on page 40

The Association's Quarterly Business Conditions Report (QBCR) survey for first quarter 1987 performance was recently completed, and participating members were sent customized company reports during mid-May. A record 175 different merchant locations participated, representing \$2.07 billion in first quarter printing and industrial paper sales volume (\$1.63 billion-printing, \$445 million-industrial).

Response to the QBCR program has been enthusiastic, and new participants continue to join up. For most companies, the one-page survey form takes 30-45 minutes to fill out, and many people send the information instantaneously via facsimile machine (NPTA FAX #516-829-3074).

The table below presents first quarter 1987 national performance for printing and industrial merchants. Ten key financial measures are tracked. Following is a summary of performance in the key areas.

Sales Growth

Printing paper sales volume rose 9.7% over the same quarter of 1986, versus 5.9% for industrial houses. Both printing and industrial merchants' growth were better than cumulative, full-year 1986 levels. These rates track closely to NPTA's monthly Paper Merchant Sales Report, where, through March, paper "sales per selling day" were up 10.8% over last year and up 6% for industrial firms.

Gross Trading Margins

Warehouse GTMs for printing paper merchants slid to 20.8% in the first quarter, down from 23.1% in the fourth quarter of 1986, while industrial GTMs rose to 23.1% from 22.8%. Margins on direct business were steady at 6.3% for printing while industrial houses' direct margins rose to 14.5%—the highest level in five quarters. Average order size rose sharply, to \$412, for printing paper (1986 average was \$347), and rose slightly to \$282 for industrial.

Operating Expense Control

Printing paper merchants' expense control remains significantly better than the industrial side. Total operating expenses as a percent of gross profits stood at 82.4% in the first quarter, slightly

First Quarter 1987 Performance & Business Conditions Survey Results

NPTA first began its "QBCR" a year ago. Since then, the number of participants has grown and this most recent report represents an annualized sales volume of over \$8 billion.

higher than 81.1% in the fourth quarter 1986. The industrial ratio was at 99.8%, virtually equal to the full-year 1986 average, but slightly better than the fourth quarter.

Inventory Management

Printing paper inventory was turned over at a rate of 5.6 times annually, near the five quarter high of 5.7 times registered in the third quarter 1986. However, industrial paper inventory turned over much slower at 5.6 times per year, com-

pared to 6.4 times during the fourth quarter 1986. Perhaps the better rate of turnover is a consequence of the higher printing paper sales growth. Due to industrial merchants' better warehouse gross trading margin, however, the "Turn & Earn Index" was better for industrial firms (129.3 vs 116.4). The turn & earn index is a key, integrated measure that combines profitability with operational efficiency. It is derived by multiplying the warehouse gross margin by inventory turnover.

1st Quarter 1987 Results—Quarterly Business Report U.S. Average

Measures	Printing Papers	Industrial Papers
Percent sales increase vs. last year (%)	9.7	5.9
Warehouse gross trading margin (%)	20.8	23.1
Indirect gross trading margin (%)	17.6	22.4
Direct gross trading margin (%)	6.2	14.5
Total operating expenses as % of gross profit (%)	82.4	99.8
Net profit before tax as % net sales (%)	1.0	0.9
Inventory turnover (times per year)	5.6	5.6
Turn and earn index	116.4	129.3
Receivables turnover (days)	41.9	38.6
Average warehouse order size (\$)	412.0	282.0

SOURCE: NPTA Quarterly Business Conditions Report

Receivables Management

Industrial merchants continue to turn over their receivables faster than printing paper houses, 38.6 days compared to nearly 42 days. Between the fourth quarter 1986 and the first quarter 1987, industrial houses cut a full day off this figure. Printing paper merchants cut about 1/2 day off their cycle over the same period. QBCR receivables ratios derived from the Monthly Sales Report are virtually identical—38 days of receivables outstanding for industrial and 41 days for printing.

Regional Summary

Regional data are calculated for nine geographic areas, and are included in individual company QBCRs mailed to participants. Results do differ markedly from national averages shown in the table in this article, and reflect varying economic conditions across the nation. For example:

- Regions 4, 5 and 8 (Midwest) beat the national sales increase substantially, with 18%, 15% and 13% gains in *printing* paper volume.
- Region 2 (Mid-Atlantic) and 5 (Mid-

west) areas outpaced nationwide *industrial* sales growth at +9.9% and +10.9%, respectively. Region 7 (Southwest) firms' sales *dropped* by 2.6%, reflecting continuing sluggishness in "oil patch" states.

- Region 2 printing firms had the best turn & earn index at 149.0, while Region 6 (West Coast) industrial houses had a very high 166.4 figure—by virtue of 25.6% warehouse GTMs.

- Region 9 (Pacific Northwest) results lagged the nation badly, with a 2% *decline* in printing paper sales over the last year (vs. a U.S. average 9.7% increase) and only 1.4% growth on the industrial side.

- Regions 5, 7 and 9 had significantly higher operating expenses than average, for industrial houses.

Would *you* like to have seen all these regional variations, plus *your rank* for the quarter within the printing, industrial or dual merchant group? You could have, if you had participated. The QBCR is processed in house at NPTA, and information is kept strictly confidential.

Next Survey

Forms for the second quarter 1987 were mailed on June 30th. *The filing deadline is July 31st.* Be sure your financial department is now preparing the QBCR. You can phone in the figures or FAX it to us (24 hours a day) at the last minute.



WASHINGTON WATCH/CONTINUED

from page 38

tice of knowing and intentional discrimination.

An unusual provision found in the rules states that it is not an unfair immigration-related employment practice for a person to prefer to hire an individual who is a citizen or national of the U.S. over another individual who is an alien if the two individuals are equally qualified.

Although such a preference would not constitute an unfair immigration-related practice, national origin discrimination is covered under Title VII of the Civil Rights Act for employers of 15 or more employees and a possible conflict of legal requirements may result, the resolution of which will require judicial determination.

Rules Are Not Final

Although the law has been in effect since November 6, 1986 and applies to hires since that date, the rules implementing the law are not final at this time and are subject to change upon action by the Department of Justice. When finalized, an updated NAW LEGAL ADVISORY will be published.

In the interim, the proposed regulations have the force of law and employers need to be aware of their obligations under the law and should take those steps necessary to establish the identity and eligibility of employees hired after the effective date, including a request that every employee hired since November 6, 1986 submit documentation to prove

identity and eligibility as described in this ADVISORY.

Information regarding such documentation should be retained in the employee's file. When the final version of the verification form is made available, employers should obtain copies of the same, complete such forms for those employees hired since the effective date of the law, and utilize the forms and the verification of eligibility procedure for all future hires.

Those wishing more information on this subject may contact the National Association of Wholesaler Distributors at 1725 K Street NW, Washington, D.C. 20006.



NATIONAL PAPER TRADE ASSOCIATION, INC.

**"Paper
People
Paths To
Success"**

NPTA Annual
Convention and
Exposition
September 19-22, 1987
Atlanta, Georgia

Paper distributors from every state in the Union and 16 foreign countries will meet in Atlanta for the major event of the year: NPTA's Annual Convention and Paper/Plastics and Allied Products Exposition.

Plan on being there for important workshops and seminars, a chance to meet the leaders of the industry, share ideas, and learn what's new on the market for paper distributors.

Expo '87 will feature paper, plastic and related products including health care disposables, retail and industrial packaging, food service items, sanitary

supplies and equipment, non-wovens, foils, tapes, wraps and other specialties. Computer hardware and software designed specifically for paper distributors will also be displayed.

Don't miss NPTA's Convention and Expo '87—The Show, The Meetings, the Special Events . . . all waiting for you in Atlanta!

Exposition Management:
Scherago Associates, Inc.
1515 Broadway
New York, New York 10036
(212) 730-1050

Sponsoring Organization:
National Paper Trade Association, Inc.
111 Great Neck Road
Great Neck, New York 11021
(516) 829-3070

ACTIVITY

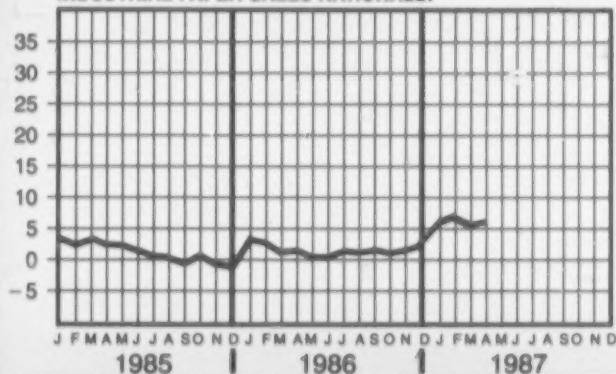
Summary National Trend Information: 1985 To Present

NOTE: BEGINNING WITH THE JANUARY 1986 REPORT, STATISTICS WERE PRODUCED BY A NEW SYSTEM. THEREFORE, STRICT COMPARISONS TO PRIOR REPORTS SHOULD NOT BE MADE.

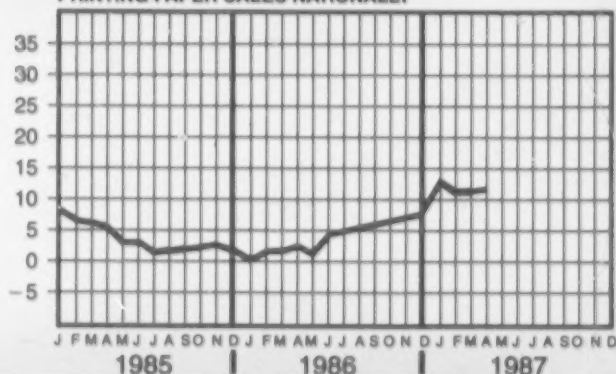
SALES INFORMATION

YEAR-TO-DATE SALES PER SELLING DAY AS A PERCENTAGE OF PREVIOUS YEAR'S YEAR-TO-DATE SALES PER SELLING DAY

INDUSTRIAL PAPER SALES NATIONALLY



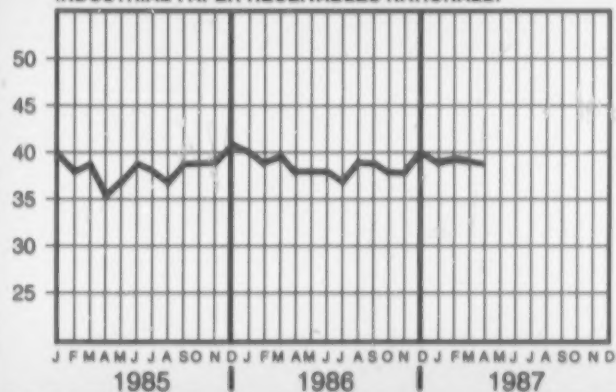
PRINTING PAPER SALES NATIONALLY



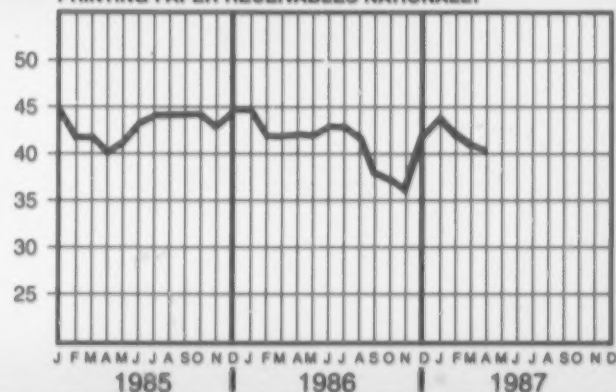
RECEIVABLES INFORMATION

DAYS OUTSTANDING—ACCOUNTS AND NOTES RECEIVABLE FROM PAPER SALES AT END OF EACH MONTH (IN CALENDAR DAYS)

INDUSTRIAL PAPER RECEIVABLES NATIONALLY



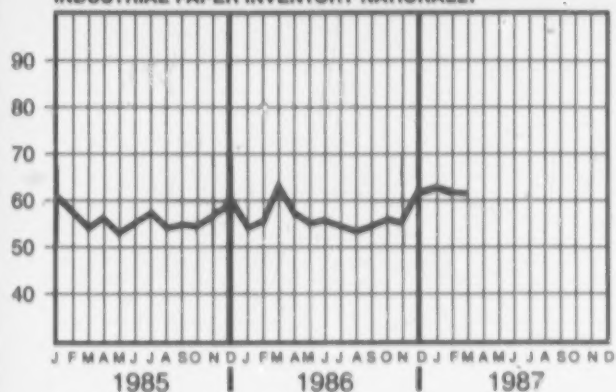
PRINTING PAPER RECEIVABLES NATIONALLY



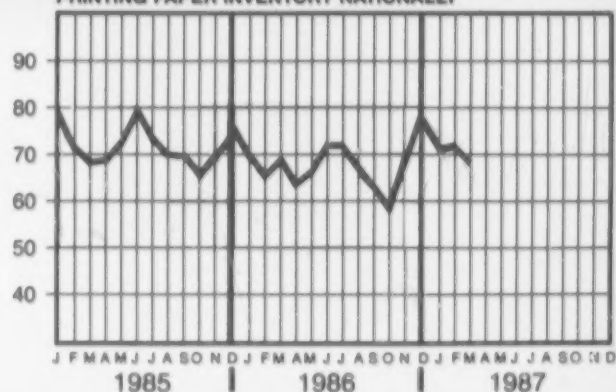
INVENTORY INFORMATION

CALENDAR DAYS COST OF ENDING MONTHLY INVENTORY (FIFO) (IN CALENDAR DAYS)

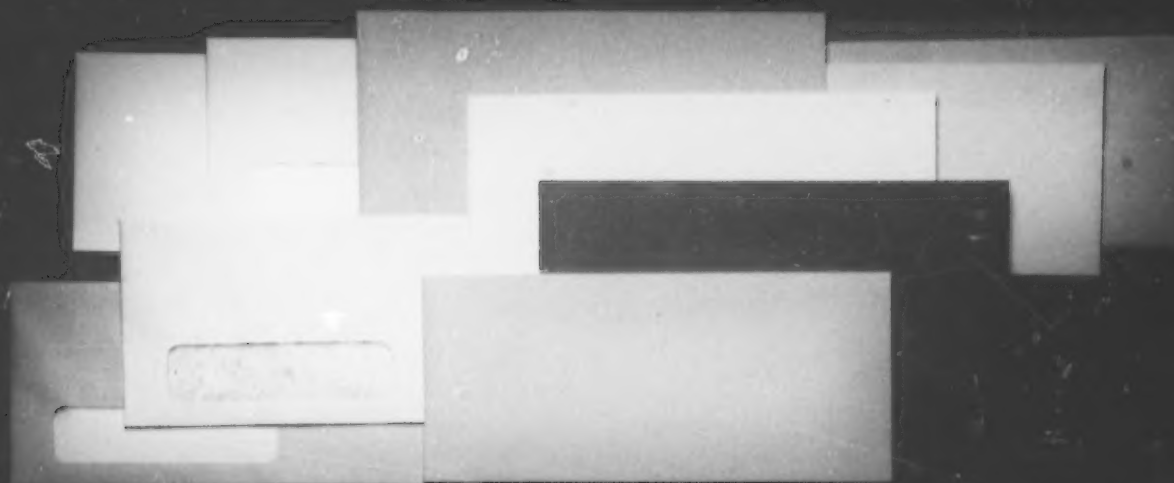
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PRINTING PAPER INVENTORY NATIONALLY



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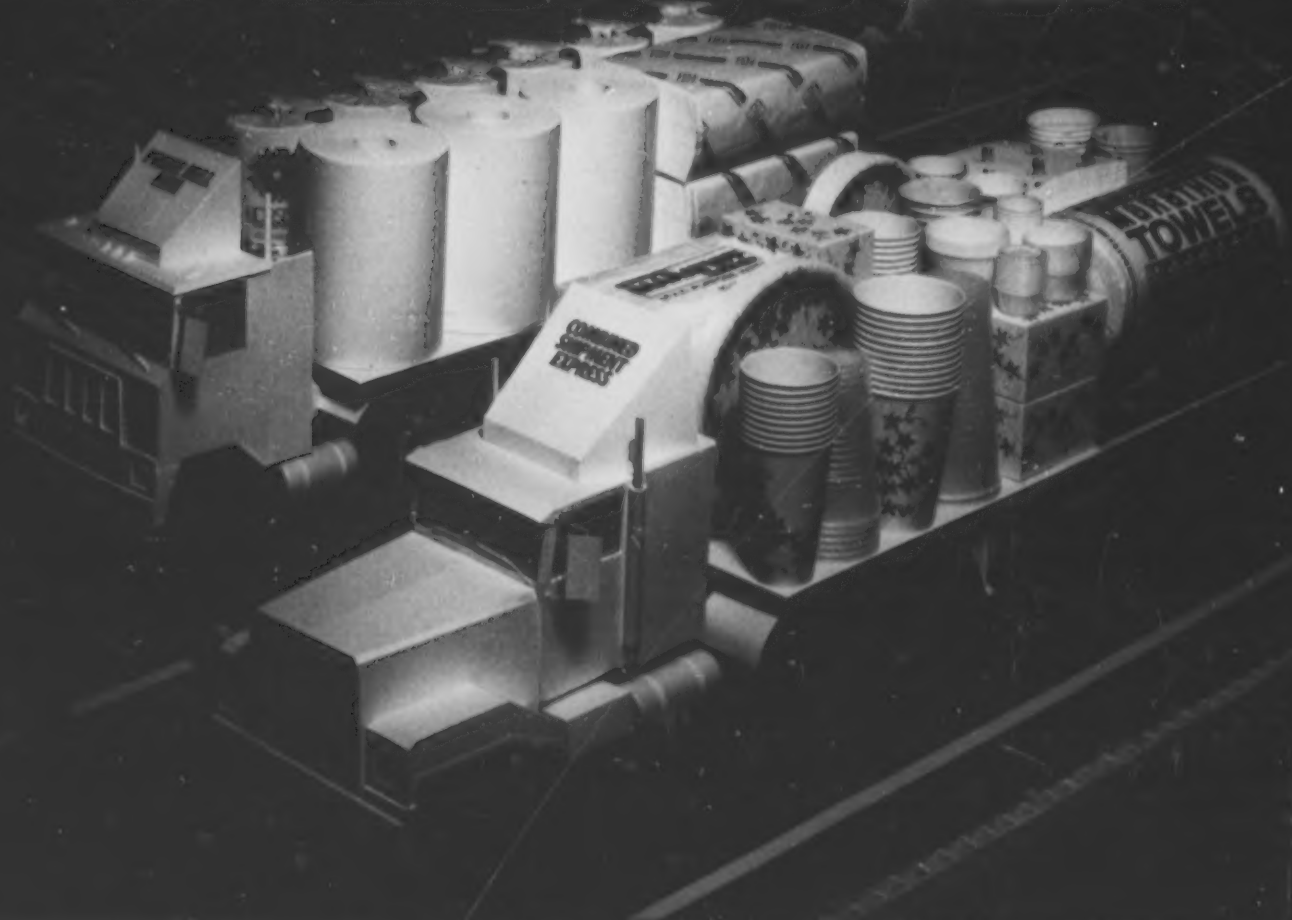
100 West 40th Street, 10th Floor
New York, NY 10018-0001
(212) 693-1000

National Envelope Group

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Who but New York/National sells only to you, not to your customers.

JAMES RIVER



OUR FLEXIBLE SHIPPING SYSTEM DELIVERS WHAT YOU WANT

With James River, you can pick and choose the way you want products delivered. Whatever helps you turn your inventory most profitably.

Would a mixed order of disposables and sanitary items give you faster turns? OK. We'll send it all at once from a combined shipment.

Or maybe a large shipment, straight from the mill, would have you more.

Either way, we have a remarkable record for accuracy, on-time delivery. And



you have the industry's broadest line of disposables to choose from.

What you want, where you want it, all at once. Nobody works harder to help you own your inventory more profitably. See your James River representative for details.



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